

Oracle Financial Services Software Limited

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Unaudited Consolidated Financial Results for the Three and Nine Month Period Ended December 31, 2015

PART I Particulars		Three month period ended			Nine month period ended		Year ended
		December 31, 2015	September 30, 2015	December 31, 2014	December 31, 2015	December 31, 2014	March 31, 2015
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	INCOME						
	Revenue from operations	101,983	100,342	93,769	307,981	295,515	390,491
	Total income from operations	101,983	100,342	93,769	307,981	295,515	390,491
2	EXPENSES						
	(a) Employee costs	49,546	45,893	46,847	143,313	139,560	184,790
	(b) Travel related expenses (net of recoveries)	4,516	4,155	3,969	12,163	10,064	13,434
	(c) Professional fees	3,900	3,474	4,438	10,575	13,760	17,187
	(d) Other expenses	3,694	2,761	4,213	10,216	14,081	20,000
	(e) Depreciation and amortisation	1,257	1,302	1,533	3,977	5,050	6,809
	Total expenses	62,913	57,585	61,000	180,244	182,515	242,220
3	Profit from operations before other income, exceptional item and tax	39,070	42,757	32,769	127,737	113,000	148,271
4	Other income, net	3,235	6,618	4,462	19,303	34,439	34,813
5	Profit from operations before exceptional item and tax	42,305	49,375	37,231	147,040	147,439	183,084
6	Exceptional item [Refer note 4]	2,179	-	-	(2,193)	-	-
7	Profit before tax	44,484	49,375	37,231	144,847	147,439	183,084
8	Tax expenses						
	(a) Current tax	15,406	16,565	12,340	51,188	52,995	65,778
	(b) Deferred tax	130	549	(76)	(483)	(1,751)	(1,926)
	Total tax expenses	15,536	17,114	12,264	50,705	51,244	63,852
9	Net profit for the period	28,948	32,261	24,967	94,142	96,195	119,232
10	Paid up equity share capital (face value ₹ 5 each, fully paid)	4,241	4,239	4,229	4,241	4,229	4,231
11	Reserves as per balance sheet of previous accounting year						340,176
12	Earnings per share (face value ₹ 5 each, fully paid)						
	(a) Basic (in ₹)	34.14	38.10	29.52	111.15	114.10	141.30
	(b) Diluted (in ₹)	33.89	37.85	29.42	110.33	113.54	140.71
See accompanying note to the financial results							

Notes to financial results :

- 1 The above unaudited consolidated financial results for the three and nine month period ended December 31, 2015 have been approved by the Board of Directors of the Company at its meeting held on February 10, 2016. The Statutory Auditors of the Company have carried out a Limited Review of the consolidated financial results for the three and nine month period ended December 31, 2015. There are no qualifications in the Limited Review Report issued by the Auditors.

- 2 The consolidated financial results of Oracle Financial Services Software Limited (the 'Company' or the 'Group') have been extracted from the unaudited consolidated financial statements prepared in accordance with the principles and procedures required for the preparation and presentation of consolidated financial statements as laid down under Accounting Standard ('AS') 21, 'Consolidated Financials Statements' and AS 23, 'Accounting for Investments in Associates in Consolidated Financial Statements', specified by Section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules 2014, issued by the Ministry of Corporate Affairs.
- 3 During the three and nine month period ended December 31, 2015, the Company allotted 49,027 and 208,348 equity shares, respectively, of face value of ₹ 5 each on exercise of stock options by eligible employees under the prevailing ESOP schemes.
- 4 In the three month period ended June 30, 2015, the Company had charged an amount of ₹ 4,372 lacs in the consolidated financial results in relation to an Arbitration award passed against a wholly owned subsidiary company. During the three month period ended December 31, 2015, the subsidiary company has settled the said dispute for full release of all claims and accordingly, has reversed the resultant excess provision of ₹ 2,179 lacs. The same has been disclosed as an exceptional item.
- 5 Particulars of other income, net

(₹ in lacs)

Particulars	Three month period ended			Nine month period ended		Year ended
	December 31, 2015	September 30, 2015	December 31, 2014	December 31, 2015	December 31, 2014	March 31, 2015
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Interest income	3,619	6,500	5,299	16,761	35,078	41,040
Exchange (loss) gain, net	(722)	(531)	(1,013)	1,950	(2,028)	(8,624)
Miscellaneous income, net	338	649	176	592	1,389	2,397
Total	3,235	6,618	4,462	19,303	34,439	34,813

6 Reporting segmentwise revenue, results and capital employed

(₹ in lacs)

Particulars	Three month period ended			Nine month period ended		Year ended
	December 31, 2015	September 30, 2015	December 31, 2014	December 31, 2015	December 31, 2014	March 31, 2015
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
(a) Segment revenue						
Product licenses and related activities	86,040	82,627	75,463	257,138	240,598	318,148
IT solutions and consulting services	13,103	14,776	14,968	42,280	47,228	61,924
Business process outsourcing services	2,840	2,939	3,338	8,563	7,689	10,419
	101,983	100,342	93,769	307,981	295,515	390,491
(b) Segment results						
Product licenses and related activities	39,371	40,899	32,130	125,155	108,982	145,038
IT solutions and consulting services	1,241	3,120	1,342	6,448	8,241	10,090
Business process outsourcing services [Refer note 4]	3,117	1,073	1,580	943	2,215	3,213
	43,729	45,092	35,052	132,546	119,438	158,341
Interest income	3,619	6,500	5,299	16,761	35,078	41,040
Other un-allocable (expenses), net	(2,864)	(2,217)	(3,120)	(4,460)	(7,077)	(16,297)
Profit before tax	44,484	49,375	37,231	144,847	147,439	183,084
(c) Capital employed						
Product licenses and related activities	96,422	95,868	90,232	96,422	90,232	82,611
IT solutions and consulting services	17,392	20,319	19,495	17,392	19,495	20,188
Business process outsourcing services [Refer note 4]	1,396	(3,152)	977	1,396	977	1,128
Unallocable	329,958	301,065	393,403	329,958	393,403	240,479
	445,168	414,100	504,107	445,168	504,107	344,406

Notes on segment information:**Segment revenue and expense:**

Revenue is generated through licensing of software products as well as by providing software solutions to the customers including consulting services and business process outsourcing services. The income and expenses which are not directly attributable to a business segment are classified as unallocable income and expenses.

Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally of trade receivables net of allowances, unbilled revenue, deposits for premises and fixed assets. Segment liabilities primarily includes deferred revenues, advance from customers, accrued employee cost and other current liabilities. While most such assets and liabilities can be directly attributed to individual segments, the carrying amount of certain assets and liabilities used jointly by two or more segments is allocated to the segment on a reasonable basis. Assets and liabilities that cannot be allocated between the segments are shown as part of unallocable assets and liabilities.

7 Unaudited standalone results for the three and nine month period ended December 31, 2015

(₹ in lacs)

Particulars	Three month period ended			Nine month period ended		Year ended
	December 31, 2015	September 30, 2015	December 31, 2014	December 31, 2015	December 31, 2014	March 31, 2015
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue from operations	89,071	83,717	80,627	262,169	252,280	334,110
Net profit before tax for the period	36,633	37,670	34,125	115,814	131,701	161,363
Net profit after tax for the period	23,395	24,260	23,433	74,501	85,655	105,802

8 Previous period's / year's figures have been reclassified, where necessary, to conform with current period's / year's presentation.

9 The above financial results are also available on the Company's website: www.oracle.com/financialservices

For and on behalf of the Board of Directors
Oracle Financial Services Software Limited

Mumbai, India
February 10, 2016

Chaitanya Kamat
Managing Director & Chief Executive Officer