

**Oracle Financial Services Software Reports Net Income for nine months ended December 2012 of Rs. 794 Crore up 11% over the same period last year**

**Revenue for the nine months ended December 2012 at Rs. 2593 Crore 14% over same period last year**

Mumbai, India, January 29, 2013: Oracle Financial Services Software Limited (Reuters: ORCL.BO and ORCL.NS), a majority owned subsidiary of Oracle, today announced Indian GAAP results for the quarter ended December 31, 2012. Net income for the quarter was Rs. 268 Crore, down 11% compared to the quarter ended December 31, 2011. Consolidated revenue for the quarter was Rs. 853 Crore, up 5% over the quarter ended December 31, 2011. The operating income for the quarter was Rs. 267 Crore, down 1% over the quarter ended December 31, 2011. Consolidated revenue for the nine months ended December 2012 was Rs. 2593 Crore, up 14% as compared to the same period last year. The operating income for nine months ended December 2012 was Rs. 839 Crore, up 15% as compared to the same period last year and the net income for the same period was 794 Crore up 11%.

The revenue for the products business for the quarter ended December 2012 was Rs.625 Crore up 3% compared to the same quarter Year-over-Year, while the operating income for the products business for the quarter was Rs. 230 Crore down 9%. The revenue from the services business was Rs.203 Crore, up 7% as compared to the same quarter year-over-year and the operating income for the quarter ended December 2012 was Rs. 53 Crore up 22% as compared the same quarter year over year. For the nine months ended December 2012, the Products business posted revenue of Rs. 1920 Crore an increase of 19% as compared to the same period last year.

Chet Kamat, managing director and chief executive officer for Oracle Financial Services Software, said, “Product revenues in the nine months grew 19% over the corresponding period last year driven by new strategic customer wins and increased penetration of our existing accounts. We signed \$13M in new license fees in the quarter posting an increase of 28% over the corresponding quarter year-over-year and on a nine month basis, the license fees signed posted an increase of 31% over the same period last year. This performance is a demonstration of the breadth of our product capability and our ability to win customers across regions both direct and through our partner eco-system”.

Makarand Padalkar, chief financial officer for Oracle Financial Services Software, said, “We delivered another strong quarter and nine month performance. While revenues for the nine month period ending December 2012 increased 14% as compared to the corresponding period last year, the operating income increased 15% over the same period. For the quarter ended December 2012, our

Services business posted an increase of 7% in the revenues and increase of 22% in the operating income over the same quarter year-over-year”.

### **Business Highlights**

- During the quarter eleven customers signed up for the products
- The Company signed licenses fees of US\$13 million in the quarter.
- New customer wins for the products spans the China, Malaysia, Myanmar, Venezuela, South Africa, Korea, United States
- A leading banking in South Africa signed up for Oracle Financial Services Analytical Applications Suite.
- Banca Transilvania Romania is now live on FLEXCUBE. The bank signed for Oracle FLEXCUBE to replace aging existing application from Misys.
- Leading Tier 1 Global Bank successfully completed deployment of Oracle FLEXCUBE Investor Services in UK to support the Transfer Agency operations for fund managers
- A leading Brazilian bank expanded deployment to added the operations in France and Spain with Oracle FLEXCUBE. The bank has extensively leveraged the Oracle FLEXCUBE multi-entity processing from a single operational instance for its operations.
- The other banks to go live in the quarter are from Cambodia, China and Jamaica.
- In the quarter, Oracle Financial Services introduced two complementary products, Oracle Financial Services Governance & Compliance Management, and Oracle Financial Services Operational Risk Analytics that provide extended capability to meet industry needs of audit, compliance risk, business continuity and change management. These offerings combine with Oracle Financial Services Operational Risk to provide an integrated system for the management of operational risk and related disciplines across the business enterprise.
- Oracle won the Banking Technology Readers’ Choice Award for the Best Core Banking Product/Service in December 2012

**ORACLE FINANCIAL SERVICES SOFTWARE GROUP**

**Q3 FY 2012-13 : FINANCIAL RESULTS  
CONSOLIDATED STATEMENTS OF OPERATIONS  
(In INR Millions, except per share data)**

Particulars	Three Months Ended				% Increase (Decrease)
	Dec 31, 2012	% of Revenues	Dec 31, 2011	% of Revenues	
<b>REVENUES</b>					
Products	6,245	73%	6,044	74%	3%
Services	2,025	24%	1,895	23%	7%
BPO - Services	258	3%	220	3%	17%
<b>Total Revenues</b>	<b>8,528</b>	<b>100%</b>	<b>8,159</b>	<b>100%</b>	<b>5%</b>
<b>SEGMENT RESULTS</b>					
Products	2,301	37%	2,524	42%	(9%)
Services	527	26%	430	23%	22%
BPO - Services	117	45%	80	36%	47%
<b>Total</b>	<b>2,945</b>	<b>35%</b>	<b>3,034</b>	<b>37%</b>	<b>(3%)</b>
Unallocable expenses	(273)	(3%)	(321)	(4%)	(15%)
<b>OPERATING INCOME</b>	<b>2,672</b>	<b>31%</b>	<b>2,712</b>	<b>33%</b>	<b>(1%)</b>
Interest and other income, net	1,343	16%	1,588	19%	(15%)
Exceptional item income / (expense)	-	0%	172	2%	(100%)
<b>INCOME BEFORE PROVISION OF TAXES</b>	<b>4,015</b>	<b>47%</b>	<b>4,473</b>	<b>55%</b>	<b>(10%)</b>
Provision for taxes	1,332	16%	1,443	18%	(8%)
<b>NET INCOME</b>	<b>2,683</b>	<b>31%</b>	<b>3,030</b>	<b>37%</b>	<b>(11%)</b>
Earnings per share of Rs 5/- each (in Rs)					
Basic	31.94		36.09		(12%)
Diluted	31.79		36.07		(12%)

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**FY 2012-13 YEAR TO DATE: FINANCIAL RESULTS  
CONSOLIDATED STATEMENTS OF OPERATIONS  
(In INR Millions, except per share data)**

Particulars	Nine Months Ended				% Increase (Decrease)
	Dec 31, 2012	% of Revenues	Dec 31, 2011	% of Revenues	
<b>REVENUES</b>					
Products	19,196	74%	16,100	70%	19%
Services	5,974	23%	6,134	27%	(3%)
BPO - Services	755	3%	608	3%	24%
<b>Total Revenues</b>	<b>25,925</b>	<b>100%</b>	<b>22,842</b>	<b>100%</b>	<b>14%</b>
<b>SEGMENT RESULTS</b>					
Products	7,540	39%	6,449	40%	17%
Services	1,320	22%	1,716	28%	(23%)
BPO - Services	340	45%	203	33%	67%
<b>Total</b>	<b>9,201</b>	<b>35%</b>	<b>8,368</b>	<b>37%</b>	<b>10%</b>
Unallocable expenses	(808)	(3%)	(1,077)	(5%)	(25%)
<b>OPERATING INCOME</b>	<b>8,393</b>	<b>32%</b>	<b>7,291</b>	<b>32%</b>	<b>15%</b>
Interest and other income, net	3,607	14%	3,732	16%	(3%)
Exceptional item	-	0%	(693)	(3%)	(100%)
<b>INCOME BEFORE PROVISION OF TAXES</b>	<b>12,000</b>	<b>46%</b>	<b>10,330</b>	<b>45%</b>	<b>16%</b>
Provision for taxes	4,062	16%	3,171	14%	28%
<b>NET INCOME</b>	<b>7,938</b>	<b>31%</b>	<b>7,159</b>	<b>31%</b>	<b>11%</b>
Earnings per share of Rs 5/- each (in Rs)					
Basic	94.51		85.30		11%
Diluted	94.11		85.23		10%

**Oracle Financial Services Software Limited**  
**Q3 FY 2012-13 Financial Results**  
**SUPPLEMENTAL OPERATING MATRICES**

	Financial Year 2011-12					Financial Year 2012-13				
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year
<b>Segmental Revenue (INR Mn)</b>										
Product Business	4,810	5,245	6,045	6,723	22,823	7,107	5,845	6,245		
Services Business	2,177	2,062	1,895	1,687	7,821	2,137	1,812	2,025		
BPO Business	134	255	220	215	823	219	278	258		
<b>Total</b>	<b>7,121</b>	<b>7,562</b>	<b>8,159</b>	<b>8,625</b>	<b>31,467</b>	<b>9,463</b>	<b>7,935</b>	<b>8,528</b>		
<b>Geographic Revenues</b>										
<b>Products Business</b>										
NAMER	29%	25%	27%	25%	26%	28%	22%	26%		
JAPAC	35%	37%	37%	40%	37%	35%	42%	37%		
EMEA	36%	37%	36%	35%	36%	37%	36%	37%		
<b>Services Business</b>										
NAMER	54%	65%	63%	65%	61%	59%	56%	63%		
JAPAC	28%	20%	23%	20%	23%	23%	23%	19%		
EMEA	18%	15%	15%	15%	16%	19%	21%	18%		
<b>Total Company</b>										
NAMER	37%	37%	36%	34%	36%	36%	31%	36%		
JAPAC	33%	32%	33%	36%	33%	32%	37%	32%		
EMEA	30%	30%	31%	31%	31%	32%	32%	32%		
<b>Revenue Analysis by Type</b>										
<b>Product Revenues</b>										
License Fees	12%	6%	10%	21%	13%	20%	6%	10%		
Professional Services	58%	68%	60%	55%	60%	57%	66%	56%		
Maintenance	30%	25%	29%	24%	27%	23%	28%	34%		
<b>Services Revenues</b>										
Fixed Price	28%	26%	16%	29%	25%	26%	24%	35%		
Time & Material Basis	72%	74%	84%	71%	75%	74%	76%	65%		
On-site	52%	45%	51%	42%	47%	48%	49%	41%		
Off-shore	48%	55%	49%	58%	53%	52%	51%	59%		
<b>Customer Concentration</b>										
<b>Product Customers</b>										
Top Customer	11%	17%	16%	12%	14%	16%	20%	14%		
Top 5 Customers	23%	29%	31%	25%	24%	35%	30%	31%		
Top 10 Customers	32%	39%	40%	40%	34%	44%	37%	41%		
<b>Services Customers</b>										
Top Customer	13%	15%	16%	13%	14%	12%	8%	13%		
Top 5 Customers	46%	47%	46%	39%	39%	38%	39%	43%		
Top 10 Customers	62%	62%	62%	64%	59%	59%	59%	60%		
<b>Total Company</b>										
Top Customer	10%	12%	13%	9%	11%	13%	16%	11%		
Top 5 Customers	27%	29%	31%	23%	25%	31%	26%	27%		
Top 10 Customers	36%	38%	40%	37%	36%	40%	36%	39%		
<b>Trade Receivables</b>										
0-180 days	80%	80%	77%	80%	80%	93%	92%	92%		
More than 180 days	20%	20%	23%	20%	20%	7%	8%	8%		
DSO (Days)	99	97	106	93	93	73	76	70		
<b>Attrition Rate (TTM)</b>										
	29%	25%	23%	21%	21%	18%	15%	14%		
<b>Staff Data</b>										
Products	4,909	5,271	5,425	5,566	5566	5,589	5,852	5,984		
Services	2,961	2,830	2,789	2,723	2723	2,777	2,811	2,776		
BPO Business	741	723	720	716	716	739	823	817		
Support (incl Sales and Marketing)	730	685	683	677	677	681	645	623		
<b>Total</b>	<b>9,341</b>	<b>9,509</b>	<b>9,617</b>	<b>9,682</b>	<b>9,682</b>	<b>9,786</b>	<b>10,131</b>	<b>10,200</b>		

**About Oracle Financial Services Software Limited**

Oracle Financial Services Software Limited (referred to as "Oracle Financial Services Software") (Reuters: ORCL.BO & ORCL.NS) is a world leader in providing products and services to the financial services industry and is a majority owned subsidiary of Oracle Corporation. Oracle Corporation [NASDAQ: ORCL] is the world's most complete, open and integrated business software and hardware systems company. For more information, visit [www.oracle.com/financialservices](http://www.oracle.com/financialservices).

**About Oracle**

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