



FOR IMMEDIATE RELEASE

**Oracle Financial Services Software Reports Q3 Fiscal Year 2015 Net Income of Rs. 250 Crore
Revenue for the Quarter at Rs. 938 Crore**

Mumbai, India, February 13, 2015: 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, 2014. Net income was Rs. 250 Crore, down 23% compared the quarter ended December 31, 2013. Consolidated revenue for the quarter was Rs. 938 Crore, down 4% year-over-year and the operating income for the quarter was Rs. 328 Crore, down 4% year-over-year.

The consolidated revenues for nine months ended December 31, 2014 was Rs. 2,955 Crore, up 4% compared to the nine month period ended December 31, 2013. The operating income for the nine months ended December 31, 2014 was Rs. 1,130 Crore, up 12% compared to the corresponding period in the last fiscal year, and the net income for the nine months ended December 31, 2014 was Rs.962 Crore, down 8% compared to the corresponding period in the last fiscal year.

For the nine month period ended December 31, 2014, the products business posted revenue of Rs. 2,406 Crore, up 9% compared to the revenue in the corresponding period in the last fiscal year. The operating income in the products business for the same period was Rs. 1,090 Crore, up 14% compared to the corresponding period last fiscal year.

Chet Kamat, managing director and chief executive officer, Oracle Financial Services Software, said, “We signed US\$17 million of new license fees in the quarter, with significant wins across our portfolio. On a year-to-date basis, our license fees signings have posted a robust 41% growth. The win at KeyBank in the USA for the Oracle Banking Platform is significant and the first in North America. We also had important wins in Asia for both our Oracle FLEXCUBE and Oracle Financial Services Analytics applications. We continue to offer compelling solutions for financial institutions across multiple regions to be the leading choice for them.”

Makarand Padalkar, chief financial officer for Oracle Financial Services Software, said, “The operating performance continues to be robust with the operating margin at 35% for quarter and at 38% for the nine months ended December 2014. The net income for the quarter was down expectedly due to lower interest income post the payout of interim dividend by the Company last quarter.”

Business Highlights

- The Company signed new licenses of US\$17 million in the quarter.
- Fourteen new customers that have signed with Oracle are deploying applications for their business operations in Afghanistan, China, Cyprus, Ghana, India, Kenya, Laos, New Zealand, Pakistan, Philippines, South Africa, Tajikistan, UAE, and USA.
- Fourteen customers went live on Oracle software for their operations during the quarter.
- KeyBank N.A., a leading national bank in the United States of America, signed on to use Oracle Banking Platform to deliver emerging capabilities in its online and mobile business and to meet changing customer demands.
- Ancoria Bank, a newly established bank in Cyprus focused on servicing small to medium sized enterprises as well as a segment of the retail sector, has selected Oracle FLEXCUBE for its core banking operations and FLEXCUBE Direct Banking to support its mission of becoming the most flexible bank in Cyprus with the ability to issue new products and services within a matter of days.
- Alpha Capital, a start-up community bank in Ghana, is gearing up for launch in February 2015. Oracle FLEXCUBE core banking system will underpin its operations, implemented by Oracle's partner, JMR InfoTech.
- A premier Philippines universal bank has chosen Oracle as the platform for its banking transformation. The bank will implement Oracle FLEXCUBE as the core banking solution across its retail banking and small and medium enterprises business. The bank will run Oracle FLEXCUBE on Oracle's Engineered Systems along with Oracle Applications that cover Business Intelligence, Customer integration and General Ledger.
- Queen City Development Bank, a Philippines private development bank based in Iloilo City has selected Oracle FLEXCUBE to help transform their core banking operations including their ability to launch new products to market faster, better understand their customers' needs and reduce the amount of IT resources required to support older, decentralized systems. Krisfinsoft, Oracle's business partner in the Philippines, will deploy and offer FLEXCUBE based business process services (BPS) to the bank.
- New Zealand based bank providing retail banking services, lending, livestock and seasonal financing, home and vehicle loans and insurance services signed to deploy Oracle FLEXCUBE Universal Banking, Oracle Direct Banking and Oracle Financial Services Lending and Leasing

applications to support its operations.

- Maitland, a privately owned, international firm specialising in interdisciplinary cross-border solutions for private, corporate and institutional clients from 13 countries across Europe, Southern Africa, North America and the Caribbean, has chosen Oracle FLEXCUBE Investor Servicing as its Core Transfer Agency platform. With over \$200 billion assets under administration, Maitland provides independent third party fund administration (across all fund types and investment styles) including transfer agency services that support their clients' product distribution, domestically and cross borders.
- OneVue, head quartered in Australia, provides wholesale services to the wealth management industry with a focus on superannuation, signed a non-binding memorandum of understanding to develop outsourced Asia Pacific fund services solution based on Oracle FLEXCUBE Investor Servicing.
“Working with Oracle can significantly enhance OneVue’s capabilities as a fund services provider at a time where cross-border opportunities are growing. Our offering can provide a flexible, functionally rich product to help clients focus on their core objectives of product innovation and customer centricity,” OneVue Group CEO Connie McKeage said. Oracle FLEXCUBE Investor Servicing delivers comprehensive functionality to support Retirement Products, Alternative Funds and Unit Trust fund administration on a single platform, to facilitate the seamless administration of Investment Funds & Linked Investment products.
- Oracle Ranked as Category Leader in 2014 Chartis [Financial Crime Risk Management Report](#). For this study, Chartis considered six specific areas of financial crime risk management including: anti-money laundering (AML), know your customer (KYC), sanctions and watch-list monitoring, counter fraud, trade surveillance, and cyber security.
- CEB Towergroup has ranked FLEXCUBE “Best in Class” across all 4 Categories in [Online Banking report](#).

ORACLE FINANCIAL SERVICES SOFTWARE GROUP

**Q3 FY 2014-15 : FINANCIAL RESULTS
CONSOLIDATED STATEMENTS OF OPERATIONS
(In INR Millions, except per share data)**

Particulars	Three Months Ended				% Increase (Decrease)
	Dec 31, 2014	% of Revenues	Dec 31, 2013	% of Revenues	
REVENUES					
Products	7,546	80%	7,591	77%	(1%)
Services	1,497	16%	1,926	20%	(22%)
BPO - Services	334	4%	300	3%	11%
Total Revenues	9,377	100%	9,817	100%	(4%)
SEGMENT RESULTS					
Products	3,213	43%	3,251	43%	(1%)
Services	134	9%	281	15%	(52%)
BPO - Services	158	47%	147	49%	7%
Total	3,505	37%	3,679	37%	(5%)
Unallocable expenses	(228)	(2%)	(262)	(3%)	(13%)
OPERATING INCOME	3,277	35%	3,417	35%	(4%)
Interest and other income, net	446	5%	1,345	14%	(67%)
INCOME BEFORE PROVISION OF TAXES	3,723	40%	4,762	49%	(22%)
Provision for taxes	1,226	13%	1,534	16%	(20%)
NET INCOME	2,497	27%	3,228	33%	(23%)
Earnings per share of Rs 5/- each (in Rs)					
Basic	29.52		38.39		(23%)
Diluted	29.42		38.23		(23%)

ORACLE FINANCIAL SERVICES SOFTWARE GROUP

**FY 2014-15 YEAR TO DATE : FINANCIAL RESULTS
CONSOLIDATED STATEMENTS OF OPERATIONS
(In INR Millions, except per share data)**

Particulars	Nine Month Ended				% Increase (Decrease)
	Dec 31, 2014	% of Revenues	Dec 31, 2013	% of Revenues	
REVENUES					
Products	24,060	81%	22,008	77%	9%
Services	4,722	16%	5,682	20%	(17%)
BPO - Services	769	3%	771	3%	(0%)
Total Revenues	29,551	100%	28,461	100%	4%
SEGMENT RESULTS					
Products	10,898	45%	9,534	43%	14%
Services	824	17%	1,162	20%	(29%)
BPO - Services	222	29%	299	39%	(26%)
Total	11,944	40%	10,995	39%	9%
Unallocable expenses	(644)	(2%)	(897)	(3%)	(28%)
OPERATING INCOME	11,300	38%	10,098	35%	12%
Interest and other income, net	3,444	12%	5,241	18%	(34%)
INCOME BEFORE PROVISION OF TAXES	14,744	50%	15,339	54%	(4%)
Provision for taxes	5,124	17%	4,853	17%	6%
NET INCOME	9,620	33%	10,486	37%	(8%)
Earnings per share of Rs 5/- each (in Rs)					
Basic	114.10		124.70		(9%)
Diluted	113.54		124.27		(9%)

Oracle Financial Services Software Limited
Q3 FY 2014-15 Financial Results
SUPPLEMENTAL OPERATING MATRICES

	Financial Year 2013-14					Financial Year 2014-15				
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year
Segmental Revenue (INR Mn)										
Product Business	6,869	7,547	7,591	6,994	29,001	8,953	7,561	7,546		
Services Business	1,908	1,848	1,926	1,716	7,398	1,543	1,683	1,497		
BPO Business	217	255	300	242	1,014	234	201	334		
Total	8,994	9,650	9,817	8,952	37,413	10,730	9,445	9,377		
Geographic Revenues										
Products Business										
NAMER	28%	34%	31%	24%	30%	26%	30%	28%		
JAPAC	35%	35%	32%	36%	34%	37%	35%	36%		
EMEA	37%	31%	37%	40%	36%	37%	36%	36%		
Services Business										
NAMER	58%	55%	61%	63%	59%	60%	54%	59%		
JAPAC	21%	15%	15%	9%	15%	13%	17%	14%		
EMEA	21%	30%	24%	28%	26%	27%	29%	28%		
Total Company										
NAMER	35%	39%	37%	32%	36%	32%	34%	34%		
JAPAC	32%	31%	28%	30%	30%	33%	31%	32%		
EMEA	33%	31%	34%	38%	34%	36%	34%	34%		
Revenue Analysis by Type										
Product Revenues										
License Fees	12%	7%	13%	10%	10%	20%	7%	13%		
Professional Services	62%	66%	60%	62%	63%	54%	62%	57%		
Maintenance	25%	27%	27%	28%	27%	26%	31%	30%		
Services Revenues										
Fixed Price	28%	19%	26%	26%	24%	25%	22%	21%		
Time & Material Basis	72%	81%	74%	74%	76%	75%	78%	79%		
On-site	41%	46%	35%	41%	41%	36%	48%	37%		
Off-shore	59%	54%	65%	59%	59%	64%	52%	63%		
Customer Concentration										
Product Customers										
Top Customer	18%	17%	14%	15%	16%	13%	16%	13%		
Top 5 Customers	35%	35%	34%	32%	34%	33%	34%	32%		
Top 10 Customers	43%	44%	43%	41%	41%	43%	41%	40%		
Services Customers										
Top Customer	11%	10%	13%	11%	10%	11%	13%	13%		
Top 5 Customers	42%	39%	49%	48%	44%	43%	42%	47%		
Top 10 Customers	65%	59%	70%	72%	66%	67%	68%	70%		
Total Company										
Top Customer	14%	14%	11%	12%	13%	11%	12%	10%		
Top 5 Customers	31%	30%	31%	29%	30%	30%	31%	30%		
Top 10 Customers	41%	39%	41%	38%	40%	39%	39%	38%		
Trade Receivables										
0-180 days	96%	95%	92%	93%	93%	94%	98%	96%		
More than 180 days	4%	5%	8%	7%	7%	6%	2%	4%		
DSO (Days)	93	69	77	61	61	39	68	63		
Attrition Rate (TTM)										
	17%	17%	19%	21%	21%	23%	24%	23%		
Staff Data *										
Products Business	6,117	6,280	6,185	6,023	6,023	5,794	5,947	6,072		
Services Business	2,426	2,329	2,271	2,198	2,198	2,121	2,036	1,998		
BPO Business	678	701	707	697	697	670	701	705		
Corporate	371	327	313	302	302	269	264	257		
Total	9,592	9,637	9,476	9,220	9,220	8,854	8,948	9,032		

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 [NYSE: *ORCL.N*] is the world's most complete, open and integrated business software and hardware systems company. For more information, visit www.oracle.com/financialservices.

About Oracle

Oracle engineers hardware and software to work together in the cloud and in your data center. For more information about Oracle (NYSE: *ORCL.N*), visit www.oracle.com.

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“Safe Harbor” Statement: Statements in this press release relating to Oracle Financial Services Software Limited future plans and prospects are "forward-looking statements" and are subject to material risks and uncertainties. Many factors could affect our current expectations and our actual results, and could cause actual results to differ materially. All information set forth in this release is current as of February 13, 2015. Oracle Financial Services Software Limited undertakes no duty to update any statement in light of new information or future events.

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