

FOR IMMEDIATE RELEASE

**Oracle Financial Services Software Reports Net Income for Fiscal Year of
Rs. 1359 Crore Up 26%;
Net Income for the Quarter ended March 2014 up 10% Year over Year**

Mumbai, India, May 16, 2014: Oracle Financial Services Software Limited (Reuters: ORCL.BO & ORCL.NS), a majority owned subsidiary of Oracle, today announced Indian GAAP results for the full year ended March 2014, with consolidated net income of Rs. 1359 Crores, an increase of 26% as compared to the fiscal year ended March 2013. The operating income for the same period was Rs. 1328 Crores an increase of 15% as compared to fiscal year ended March 2013. Consolidated revenue for the full year was at Rs. 3741 Crores, an increase of 8% as compared to fiscal year ended March 2013. The revenue and operating income from the products business was Rs. 2900 Crores up 11% and Rs. 1256 Crores up 18% respectively, while the revenue and operating income from the Services Business was Rs. 740 Crores down 4% and Rs. 152 Crores down 4%, respectively.

For the quarter ended March 2014, net income was Rs. 311 Crores, up 10% compared to the quarter ended March 2013. Consolidated revenue for the quarter was Rs. 895 Crores, up 2% as compared to the quarter ended March 2013. The revenue and operating income from the products business was Rs. 699 Crores and Rs. 302 Crores respectively, while the revenue and operating income from the Services Business was Rs. 172 Crores and Rs. 36 Crores, respectively.

Chet Kamat, managing director and chief executive officer for Oracle Financial Services Software, said, “We signed US\$ 14.7 million of new license fees in the quarter; while we have a strong pipeline, new license fees for the year were down 18%. We are investing in the sales and marketing infrastructure and processes to grow our core banking and analytics deal flow.”

Makarand Padalkar, chief financial officer for Oracle Financial Services Software, said, “We posted another solid operating performance with the operating margins for the year at 35%, a 2 percentage point improvement over operating margin in the fiscal year ended March 2013. Our focus on operational excellence has delivered strong operating metrics; the days of sales outstanding at the end of March 2014 were at 61 days as compared to 68 days at the end of March 2013.”

Business Highlights

- The Company signed new licenses of US\$ 14.7 million in the quarter.
- Customer wins for the products span Cambodia, Colombia, Denmark, Indonesia, Malta and Mauritius.
- Leading Indonesian Bank with assets over US\$ 55B, operating in 6 overseas locations has selected Oracle FLEXCUBE for its international operations. The first instance shall be deployed in Cayman Islands to replace Financial Objects IBIS system (now owned by Temenos).
- Leading financial institution in Denmark selected Oracle FLEXCUBE for its new business initiative. Oracle FLEXCUBE will be offered from Oracle Managed Cloud Services facility in Europe for this deployment.
- Leading state-run bank in Colombia selected Oracle Financial Services Analytical Applications suite for managing enterprise risk.
- Oracle Financial Services Analytical Applications [release](#) provides a jumpstart to global systemically important banks (G-SIBs) to comply with the deadline of January 2016 for [the Bank for International Settlements \(BIS\) Principles for Effective Risk Data Aggregation and Risk Reporting](#). Oracle offers a comprehensive and scalable solution to support regulatory compliance, enabling organizations to maintain a single source of truth across risk and finance and support data consistency, transparency, security and traceability.
- Oracle was named the Fraud and financial crime software provider of the year in the [Operational Risk and Regulation Awards for 2014](#).

ORACLE FINANCIAL SERVICES SOFTWARE GROUP

**FY 2013-14 YEAR TO DATE : FINANCIAL RESULTS
CONSOLIDATED STATEMENTS OF OPERATIONS
(In INR Millions, except per share data)**

Particulars	Year Ended				% Increase (Decrease)
	Mar 31, 2014	% of Revenues	Mar 31, 2013	% of Revenues	
REVENUES					
Products	29,001	77%	26,011	75%	11%
Services	7,398	20%	7,737	22%	(4%)
BPO - Services	1,014	3%	992	3%	2%
Total Revenues	37,413	100%	34,740	100%	8%
SEGMENT RESULTS					
Products	12,559	43%	10,621	41%	18%
Services	1,521	21%	1,586	20%	(4%)
BPO - Services	366	36%	394	40%	(7%)
Total	14,446	39%	12,601	36%	15%
Unallocable expenses	(1,169)	(3%)	(1,065)	(3%)	10%
OPERATING INCOME	13,277	35%	11,535	33%	15%
Interest and other income, net	6,736	18%	4,596	13%	47%
INCOME BEFORE PROVISION OF TAXES	20,013	53%	16,132	46%	24%
Provision for taxes	6,420	17%	5,381	15%	19%
NET INCOME	13,593	36%	10,751	31%	26%
Earnings per share of Rs 5/- each (in Rs)					
Basic	161.64		127.98		26%
Diluted	160.96		127.40		26%

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**Q4 FY 2013-14 : FINANCIAL RESULTS
CONSOLIDATED STATEMENTS OF OPERATIONS
(In INR Millions, except per share data)**

Particulars	Three Months Ended				% Increase (Decrease)
	Mar 31, 2014	% of Revenues	Mar 31, 2013	% of Revenues	
REVENUES					
Products	6,994	78%	6,814	77%	3%
Services	1,716	19%	1,764	20%	(3%)
BPO - Services	242	3%	237	3%	2%
Total Revenues	8,952	100%	8,815	100%	2%
SEGMENT RESULTS					
Products	3,025	43%	3,081	45%	(2%)
Services	359	21%	265	15%	35%
BPO - Services	67	28%	54	23%	24%
Total	3,451	39%	3,400	39%	2%
Unallocable expenses	(272)	(3%)	(257)	(3%)	6%
OPERATING INCOME	3,179	36%	3,143	36%	1%
Interest and other income, net	1,496	17%	988	11%	51%
INCOME BEFORE PROVISION OF TAXES	4,675	52%	4,131	47%	13%
Provision for taxes	1,567	18%	1,318	15%	19%
NET INCOME	3,108	35%	2,813	32%	10%
Earnings per share of Rs 5/- each (in Rs)					
Basic	36.94		33.47		10%
Diluted	36.80		33.33		10%

Oracle Financial Services Software Limited
Q4 FY 2013-14 Financial Results
SUPPLEMENTAL OPERATING MATRICES

	Financial Year 2012-13					Financial Year 2013-14				
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year
Segmental Revenue (INR Mn)										
Product Business	7,107	5,845	6,245	6,814	26,011	6,869	7,547	7,591	6,994	29,001
Services Business	2,137	1,812	2,024	1,764	7,737	1,908	1,848	1,926	1,716	7,398
BPO Business	219	278	258	237	992	217	255	300	242	1,014
Total	9,463	7,935	8,528	8,815	34,740	8,994	9,650	9,817	8,952	37,413
Geographic Revenues										
Products Business										
NAMER	28%	22%	26%	21%	24%	28%	34%	31%	24%	30%
JAPAC	35%	42%	37%	42%	39%	35%	35%	32%	36%	34%
EMEA	37%	36%	37%	37%	37%	37%	31%	37%	40%	36%
Services Business										
NAMER	59%	56%	63%	59%	59%	58%	55%	61%	63%	59%
JAPAC	23%	23%	19%	22%	22%	21%	15%	15%	9%	15%
EMEA	18%	21%	18%	19%	19%	21%	30%	24%	28%	26%
Total Company										
NAMER	36%	31%	36%	29%	33%	35%	39%	37%	32%	36%
JAPAC	32%	36%	32%	38%	35%	32%	31%	28%	30%	30%
EMEA	32%	32%	32%	33%	32%	33%	31%	34%	38%	34%
Revenue Analysis by Type										
Product Revenues										
License Fees	20%	6%	10%	19%	14%	12%	7%	13%	10%	10%
Professional Services	57%	67%	56%	56%	59%	62%	66%	60%	62%	63%
Maintenance	23%	28%	34%	25%	27%	25%	27%	27%	28%	27%
Services Revenues										
Fixed Price	26%	24%	35%	34%	30%	28%	19%	26%	26%	24%
Time & Material Basis	74%	76%	65%	66%	70%	72%	81%	74%	74%	76%
On-site	48%	49%	41%	41%	46%	41%	46%	35%	41%	41%
Off-shore	52%	51%	59%	59%	54%	59%	54%	65%	59%	59%
Customer Concentration										
Product Customers										
Top Customer	16%	20%	14%	23%	18%	18%	17%	14%	15%	16%
Top 5 Customers	35%	30%	31%	36%	31%	35%	35%	34%	32%	34%
Top 10 Customers	44%	37%	41%	47%	40%	43%	44%	43%	41%	41%
Services Customers										
Top Customer	12%	8%	13%	15%	10%	11%	10%	13%	11%	10%
Top 5 Customers	38%	39%	43%	45%	41%	42%	39%	49%	48%	44%
Top 10 Customers	59%	59%	60%	63%	60%	65%	59%	70%	72%	66%
Total Company										
Top Customer	13%	16%	11%	18%	14%	14%	14%	11%	12%	13%
Top 5 Customers	31%	26%	27%	33%	29%	31%	30%	31%	29%	30%
Top 10 Customers	40%	36%	39%	44%	38%	41%	39%	41%	38%	40%
Trade Receivables										
0-180 days	93%	92%	92%	91%	91%	96%	95%	91%	93%	93%
More than 180 days	7%	92%	8%	9%	9%	4%	5%	9%	7%	7%
DSO (Days)	73	76	70	68	68	93	69	77	61	61
Attrition Rate (TTM)										
	18%	15%	14%	15%	15%	17%	18%	19%	21%	21%
Staff Data *										
Products Business	5,853	6,090	6,203	6,087	6,087	6,117	6,280	6,185	6,023	6,023
Services Business	2,803	2,836	2,800	2,758	2,758	2,426	2,329	2,271	2,198	2,198
BPO Business	739	823	817	755	755	678	701	707	697	697
Corporate	391	382	380	369	369	371	327	313	302	302
Total	9,786	10,131	10,200	9,969	9,969	9,592	9,637	9,476	9,220	9,220

Supporting Resources

- [Oracle Financial Services](#)
- [Oracle FLEXCUBE](#)
- [Oracle FLEXCUBE Direct Banking](#)
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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.

About Oracle

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