

October 31, 2012

Mr. Hari K  
Vice President  
Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, Bandra-Kurla Complex  
Bandra (East)  
Mumbai 400 051

**Sub: Decisions taken at the Board Meeting held today**

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**Scrip Code – OFSS**

Dear Sir,

The Board of Directors of the Company at its meeting held today, inter alia approved unaudited standalone Indian GAAP Financials for the quarter and half year ended September 30, 2012.

The unaudited standalone financial results of the Company for the quarter and half year ended September 30, 2012 in the format prescribed by Clause 41 of the listing agreement along with the Limited Review Report thereon issued by M/s. S. R. Batliboi & Associates, Statutory Auditors of the Company, are enclosed. A press release is also enclosed.

This is for your reference and records.

Yours sincerely,  
**For Oracle Financial Services Software Limited**



**Hoshi D. Bhagwagar**  
Company Secretary  
and Compliance Officer

Encl: as above

Oracle Financial Services Software Limited

Registered Office : Oracle Park, Off Western Express Highway, Goregaon (East), Mumbai 400 063.

Unaudited standalone financial results for the three and six month period ended September 30, 2012

PART I

(₹ in lacs, except share and per share data)

| Particulars                                                                          | Three month period ended |               |                    | Six month period ended |                    | Year ended     |
|--------------------------------------------------------------------------------------|--------------------------|---------------|--------------------|------------------------|--------------------|----------------|
|                                                                                      | September 30, 2012       | June 30, 2012 | September 30, 2011 | September 30, 2012     | September 30, 2011 | March 31, 2012 |
|                                                                                      | Unaudited                | Unaudited     | Unaudited          | Unaudited              | Unaudited          | Audited        |
| <b>1 INCOME FROM OPERATIONS</b>                                                      |                          |               |                    |                        |                    |                |
| Revenue from operations                                                              | 65,996                   | 81,212        | 61,834             | 147,208                | 120,024            | 260,585        |
| <b>Total income from operations (net)</b>                                            | <b>65,996</b>            | <b>81,212</b> | <b>61,834</b>      | <b>147,208</b>         | <b>120,024</b>     | <b>260,585</b> |
| <b>2 EXPENSES</b>                                                                    |                          |               |                    |                        |                    |                |
| (a) Employee costs                                                                   | 36,232                   | 34,022        | 30,992             | 70,254                 | 60,266             | 125,326        |
| (b) Travel related expenses (net of recoveries)                                      | 2,755                    | 3,695         | 2,337              | 6,450                  | 4,979              | 10,798         |
| (c) Professional fees                                                                | 2,955                    | 3,398         | 3,934              | 6,353                  | 7,060              | 13,957         |
| (d) Other expenses                                                                   | 3,068                    | 4,398         | 3,849              | 7,466                  | 6,727              | 11,556         |
| (e) Depreciation and amortisation                                                    | 1,693                    | 1,190         | 837                | 2,883                  | 1,693              | 4,012          |
| <b>Total expenses</b>                                                                | <b>46,703</b>            | <b>46,703</b> | <b>41,949</b>      | <b>93,406</b>          | <b>80,725</b>      | <b>165,649</b> |
| <b>3 Profit from operations before other income, exceptional items and tax (1-2)</b> | <b>19,293</b>            | <b>34,509</b> | <b>19,885</b>      | <b>53,802</b>          | <b>39,299</b>      | <b>94,936</b>  |
| 4 Other income, net                                                                  | 7,581                    | 14,103        | 13,051             | 21,684                 | 19,464             | 37,503         |
| <b>5 Profit from ordinary activities before exceptional items and tax (3+4)</b>      | <b>26,874</b>            | <b>48,612</b> | <b>32,936</b>      | <b>75,486</b>          | <b>58,763</b>      | <b>132,439</b> |
| 6 Exceptional items, net (Refer note 6 below)                                        | -                        | -             | (8,656)            | -                      | (8,656)            | 24,150         |
| <b>7 Profit before taxes (5+6)</b>                                                   | <b>26,874</b>            | <b>48,612</b> | <b>24,280</b>      | <b>75,486</b>          | <b>50,107</b>      | <b>156,589</b> |
| 8 Tax expenses                                                                       |                          |               |                    |                        |                    |                |
| (a) Current tax                                                                      | 9,499                    | 16,306        | 11,253             | 25,805                 | 19,734             | 47,170         |
| (b) Deferred tax                                                                     | (576)                    | (522)         | (3,515)            | (1,098)                | (3,432)            | 496            |
| <b>Total tax expenses</b>                                                            | <b>8,923</b>             | <b>15,784</b> | <b>7,738</b>       | <b>24,707</b>          | <b>16,302</b>      | <b>47,666</b>  |
| <b>9 Net profit after tax for the period (7-8)</b>                                   | <b>17,951</b>            | <b>32,828</b> | <b>16,542</b>      | <b>50,779</b>          | <b>33,805</b>      | <b>108,923</b> |
| 10 Paid-up equity share capital (face value ₹ 5 each, fully paid)                    | 4,200                    | 4,199         | 4,197              | 4,200                  | 4,197              | 4,199          |
| 11 Reserves as per balance sheet of previous accounting year                         |                          |               |                    |                        |                    | 620,493        |
| 12 Earnings per share (face value ₹ 5 each, fully paid)                              |                          |               |                    |                        |                    |                |
| (a) Basic (in ₹)                                                                     | 21.37                    | 39.09         | 19.71              | 60.46                  | 40.28              | 129.78         |
| (b) Diluted (in ₹)                                                                   | 21.29                    | 39.00         | 19.69              | 60.25                  | 40.25              | 129.65         |

See accompanying note to the financial results

PART II

| PARTICULARS OF SHAREHOLDING                                                            |            |            |            |            |            |            |
|----------------------------------------------------------------------------------------|------------|------------|------------|------------|------------|------------|
| <b>1 Public Shareholding</b>                                                           |            |            |            |            |            |            |
| Number of shares                                                                       | 16,512,431 | 16,497,363 | 16,454,704 | 16,512,431 | 16,454,704 | 16,492,059 |
| Percentage of shareholding                                                             | 19.66      | 19.64      | 19.60      | 19.66      | 19.60      | 19.64      |
| <b>2 Promoters and Promoter Group Shareholding</b>                                     |            |            |            |            |            |            |
| (a) Pledged / Encumbered                                                               |            |            |            |            |            |            |
| Number of Shares                                                                       | -          | -          | -          | -          | -          | -          |
| Percentage of shares (as a % of the total shareholding of promoter and promoter group) | -          | -          | -          | -          | -          | -          |
| Percentage of shares (as a % of the total share capital of the Company)                | -          | -          | -          | -          | -          | -          |
| (b) Non-encumbered                                                                     |            |            |            |            |            |            |
| Number of shares                                                                       | 67,481,698 | 67,481,698 | 67,481,698 | 67,481,698 | 67,481,698 | 67,481,698 |
| Percentage of shares (as a % of the total shareholding of promoter and promoter group) | 100        | 100        | 100        | 100        | 100        | 100        |
| Percentage of shares (as a % of the total share capital of the Company)                | 80.34      | 80.36      | 80.40      | 80.34      | 80.40      | 80.36      |



# **B INVESTOR COMPLAINTS**

| Particulars                                                                    | No. of Complaints |
|--------------------------------------------------------------------------------|-------------------|
| Complaints outstanding on July 1, 2012                                         | 1                 |
| Complaints received during the three month period ended September 30, 2012     | 5                 |
| Complaints disposed off during the three month period ended September 30, 2012 | 5                 |
| Complaints outstanding on September 30, 2012                                   | 1                 |

## **Notes to financial results :**

- The unaudited financial results for the three and six month period ended September 30, 2012 have been approved by the Board of Directors of the Company at its meeting held on October 31, 2012. The Statutory Auditors of the Company have carried out a Limited Review of the financial results for the three and six month period ended September 30, 2012. There are no qualifications in the Limited Review Report issued by the Auditors.
- Pursuant to the Notification No. 447(E) dated February 28, 2011 and Notification No. 653(E) dated March 30, 2011, issued by the Ministry of Corporate Affairs, the Company has prepared its financial statements for the three and six month period ended September 30, 2012 as per revised Schedule VI to the Companies Act, 1956. Accordingly, the previous periods' figures have also been regrouped/reclassified, wherever required to align the financial statements to the revised format.
- During the three month period ended September 30, 2012, the Company allotted 15,068 equity shares of face value of ₹ 5 each on exercise of stock options by eligible employees under the ESOP 2002 Scheme and ESOP 2010 Scheme.
- Employee costs for the three month period ended June 30, 2012 and six month period ended September 30, 2012 are net of ₹ 752 lacs pertaining to write back of bonus provision of earlier year no longer required.
- Revenue from product licenses and related activities for the six month period ended September 30, 2011 and year ended March 31, 2012 includes prior year reversal of ₹ 1,596 lacs.
- Particulars of exceptional items, net

| Particulars                                      | Three month period ended |               |                    | Six month period ended |                    | Year ended     |
|--------------------------------------------------|--------------------------|---------------|--------------------|------------------------|--------------------|----------------|
|                                                  | September 30, 2012       | June 30, 2012 | September 30, 2011 | September 30, 2012     | September 30, 2011 | March 31, 2012 |
|                                                  | Unaudited                | Unaudited     | Unaudited          | Unaudited              | Unaudited          | Audited        |
| Dividend income [Refer note (a) below]           | -                        | -             | -                  | -                      | -                  | 31,083         |
| Claim against the Company [Refer note (b) below] | -                        | -             | (8,656)            | -                      | (8,656)            | (6,933)        |
| <b>Total</b>                                     | -                        | -             | <b>(8,656)</b>     | -                      | <b>(8,656)</b>     | <b>24,150</b>  |

- (a) During the year ended March 31, 2012, the Company has received dividend of ₹ 18,333 lacs and ₹ 12,750 lacs from its wholly owned subsidiaries Oracle Financial Services Software B.V. and Oracle Financial Services Software Pte. Ltd respectively. Considering the amount of dividend received, the same has been disclosed as an exceptional item.
- (b) A customer had filed a lawsuit against the Company and one of its subsidiaries, claiming damages of upwards of ₹ 57,842 lacs. While the claims were being rigorously defended by the Company and counter claims raised against the customer for breach of contract and outstanding fees, a mediation process had been initiated by the parties concerned. In respect of this claim, the Company had provided ₹ 8,656 lacs in the three and six month period ended September 30, 2011. During the year ended March 31, 2012, the Company settled the said customer dispute for full release of all alleged claims and recorded ₹ 6,933 lacs, net of insurance claim and disclosed the same as an exceptional item.

## **7 Particulars of other income, net**

| Particulars                         | Three month period ended |               |                    | Six month period ended |                    | Year ended     |
|-------------------------------------|--------------------------|---------------|--------------------|------------------------|--------------------|----------------|
|                                     | September 30, 2012       | June 30, 2012 | September 30, 2011 | September 30, 2012     | September 30, 2011 | March 31, 2012 |
|                                     | Unaudited                | Unaudited     | Unaudited          | Unaudited              | Unaudited          | Audited        |
| Interest income                     | 10,387                   | 8,817         | 6,487              | 19,204                 | 12,451             | 26,975         |
| Exchange (loss) / gain, net         | (2,836)                  | 5,191         | 6,635              | 2,355                  | 7,080              | 10,564         |
| Miscellaneous income (expense), net | 30                       | 95            | (71)               | 125                    | (67)               | (36)           |
| <b>Total</b>                        | <b>7,581</b>             | <b>14,103</b> | <b>13,051</b>      | <b>21,684</b>          | <b>19,464</b>      | <b>37,503</b>  |



8. Statement of assets and liabilities

(₹ in lacs)

| Particulars                                 | As at                 |                   |
|---------------------------------------------|-----------------------|-------------------|
|                                             | September 30,<br>2012 | March 31,<br>2012 |
|                                             | Unaudited             | Audited           |
| <b>A EQUITY AND LIABILITIES</b>             |                       |                   |
| 1 Shareholders' funds                       |                       |                   |
| (a) Share capital                           | 4,200                 | 4,199             |
| (b) Reserves and surplus                    | 671,564               | 620,493           |
|                                             | 675,764               | 624,692           |
| 2 Share application money pending allotment | 57                    | 12                |
| 3 Non-current liabilities                   |                       |                   |
| (a) Other long-term liabilities             | 1,365                 | 1,332             |
| (b) Long-term provisions                    | 3,842                 | 3,324             |
|                                             | 5,207                 | 4,656             |
| 4 Current liabilities                       |                       |                   |
| (a) Trade payables                          | 2,146                 | 1,817             |
| (b) Other current liabilities               | 74,683                | 72,159            |
| (c) Short-term provisions                   | 8,694                 | 8,046             |
|                                             | 85,523                | 82,022            |
| <b>TOTAL - EQUITY AND LIABILITIES</b>       | <b>766,551</b>        | <b>711,382</b>    |
| <b>B ASSETS</b>                             |                       |                   |
| 1 Non-current assets                        |                       |                   |
| (a) Fixed assets                            | 41,495                | 40,997            |
| (b) Non-current investments                 | 72,824                | 72,824            |
| (c) Deferred tax assets                     | 7,503                 | 6,406             |
| (d) Long-term loans and advances            | 58,459                | 53,834            |
| (e) Other non-current assets                | 1,507                 | 1,429             |
|                                             | 181,788               | 175,490           |
| 2 Current assets                            |                       |                   |
| (a) Current investments                     | 100                   | 100               |
| (b) Trade receivables                       | 96,599                | 114,429           |
| (c) Cash and bank balances                  | 435,465               | 351,092           |
| (d) Short-term loans and advances           | 15,441                | 28,874            |
| (e) Other current assets                    | 37,158                | 41,397            |
|                                             | 584,763               | 535,892           |
| <b>TOTAL - ASSETS</b>                       | <b>766,551</b>        | <b>711,382</b>    |





9 Reporting segment wise revenue, results and capital employed

(₹ in lacs)

| Particulars                              | Three month period ended |                |                    | Six month period ended |                    | Year ended     |
|------------------------------------------|--------------------------|----------------|--------------------|------------------------|--------------------|----------------|
|                                          | September 30, 2012       | June 30, 2012  | September 30, 2011 | September 30, 2012     | September 30, 2011 | March 31, 2012 |
|                                          | Unaudited                | Unaudited      | Unaudited          | Unaudited              | Unaudited          | Audited        |
| (a) <b>Segment revenue</b>               |                          |                |                    |                        |                    |                |
| Product licenses and related activities  | 49,806                   | 62,170         | 43,589             | 111,976                | 82,162             | 191,217        |
| IT solutions and consulting services     | 16,190                   | 19,042         | 18,245             | 35,232                 | 37,862             | 69,368         |
|                                          | <b>65,996</b>            | <b>81,212</b>  | <b>61,834</b>      | <b>147,208</b>         | <b>120,024</b>     | <b>260,585</b> |
| (b) <b>Segment results</b>               |                          |                |                    |                        |                    |                |
| Product licenses and related activities  | 19,689                   | 31,334         | 17,470             | 51,023                 | 33,825             | 88,210         |
| IT solutions and consulting services     | 1,438                    | 4,720          | 5,678              | 6,158                  | 11,434             | 16,882         |
|                                          | <b>21,127</b>            | <b>36,054</b>  | <b>23,148</b>      | <b>57,181</b>          | <b>45,259</b>      | <b>105,092</b> |
| Interest income                          | 10,387                   | 8,817          | 6,487              | 19,204                 | 12,451             | 26,975         |
| Other unallocable (expenses) income, net | (4,640)                  | 3,741          | 3,301              | (899)                  | 1,053              | 372            |
| Exceptional items, net                   | -                        | -              | (8,656)            | -                      | (8,656)            | 24,150         |
| <b>Profit before taxes</b>               | <b>26,874</b>            | <b>48,612</b>  | <b>24,280</b>      | <b>75,486</b>          | <b>50,107</b>      | <b>156,589</b> |
| (c) <b>Capital employed</b>              |                          |                |                    |                        |                    |                |
| Product licenses and related activities  | 56,030                   | 73,373         | 58,059             | 56,030                 | 58,059             | 85,453         |
| IT solutions and consulting services     | 31,781                   | 38,835         | 25,810             | 31,781                 | 25,810             | 35,924         |
| Unallocable                              | 587,953                  | 545,389        | 465,457            | 587,953                | 465,457            | 503,315        |
|                                          | <b>675,764</b>           | <b>657,597</b> | <b>549,326</b>     | <b>675,764</b>         | <b>549,326</b>     | <b>624,692</b> |

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. The income and expenses which are not directly attributable to a business segment are shown 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 revenues, deposits for premises and fixed assets. Segment liabilities primarily include deferred revenues, advance from customers, accrued employee costs and other current liabilities. While most of such assets and liabilities can be directly attributed to individual segments, the carrying amount of certain assets and liabilities used jointly by two 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.

10 Unaudited consolidated results for the three and six month period ended September 30, 2012

(₹ in lacs, except per share data)

| Particulars                                          | Three month period ended |               |                    | Six month period ended |                    | Year ended     |
|------------------------------------------------------|--------------------------|---------------|--------------------|------------------------|--------------------|----------------|
|                                                      | September 30, 2012       | June 30, 2012 | September 30, 2011 | September 30, 2012     | September 30, 2011 | March 31, 2012 |
|                                                      | Unaudited                | Unaudited     | Unaudited          | Unaudited              | Unaudited          | Audited        |
| Revenue from operations                              | 79,346                   | 94,633        | 75,617             | 173,979                | 146,825            | 314,668        |
| Net profit after tax for the period                  | 15,744                   | 36,806        | 20,867             | 52,550                 | 41,289             | 90,927         |
| Earnings per share (face value ₹ 5 each, fully paid) |                          |               |                    |                        |                    |                |
| Basic (in ₹)                                         | 18.75                    | 43.83         | 24.86              | 62.57                  | 49.20              | 108.34         |
| Diluted (in ₹)                                       | 18.67                    | 43.72         | 24.84              | 62.35                  | 49.15              | 108.23         |

11 The above results are also available on the Company's website: [www.oracle.com/financialservices](http://www.oracle.com/financialservices)

Mumbai, India  
October 31, 2012



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

Chaitanya Kamat  
Managing Director & Chief Executive Officer

**Limited Review Report****Review Report to****The Board of Directors of Oracle Financial Services Software Limited**

1. We have reviewed the accompanying statement of unaudited financial results of Oracle Financial Services Software Limited (the 'Company') for the quarter ended September 30, 2012 (the 'Statement'), except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25, Interim Financial Reporting, notified pursuant to the Companies (Accounting Standards) Rules, 2006, (as amended) and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

*S.R. Batliboi & Associates*  
For S.R. Batliboi & Associates  
Firm registration number: 101049W  
Chartered Accountants

*Amit Majmudar*

per Amit Majmudar  
Partner  
Membership No.: 36656

Mumbai, India  
October 31, 2012

**Oracle Financial Services Software Reports Net Income for Half-Year ended September 2012 of Rs. 526 Crore up 27% over the same period last year**

Mumbai, India, October 31, 2012: 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 and half-year ended September 30, 2012. Net income for the half-year was Rs. 526 Crore, up 27% compared to the half-year ended September 30, 2011. Consolidated revenue for the half-year was Rs. 1740 Crore, up 18% over the half-year ended September 30, 2011. The operating income for the half-year was Rs. 572 Crore, up 25% over the half-year ended September 30, 2011.

Net income for the quarter ended September 30, 2012 was Rs. 157 Crore, down 25% compared to the quarter ended September 30, 2011. Consolidated revenue for the quarter was Rs. 794 Crore, up 5% over the quarter ended September 30, 2011. The operating income for the quarter was Rs. 201 Crore, down 16% over the quarter ended September 30, 2011.

The revenue for the products business was Rs. 585 Crore up 11% compared to the same quarter Year-over-Year, while the operating income for the products business was Rs. 198 Crore down 1%. The revenue and operating income from the services business was Rs. 181 Crore and Rs. 19 Crore respectively.

Chet Kamat, managing director and chief executive officer for Oracle Financial Services Software, said, "The customer wins for our products and services portfolio spanned across the regions, demonstrating broad based relevance and compelling value of our offerings. We continued to deliver robust performance with overall company revenue for the half-year growing 18% and product revenue for the same period growing 29%".

Makarand Padalkar, chief financial officer for Oracle Financial Services Software, said, "We continue to deliver solid operating metrics on a year-to-date basis. Our operating margins for the half-year ended September 2012 were 32.9% as compared to 31.2% for corresponding half-year in the last fiscal year, registering an improvement of 170 basis points. Our Services business has been impacted in the margins due to a combination of factors – delayed signings and cost increase due to wage hikes".





## Business Highlights

- During the quarter, fourteen customers signed up for the products and three customers for the services business. Seven customers completed deployments in the quarter.
- The Company signed licenses fees of \$8.3 million in the quarter.
- New wins and expansion of customer deployments span the United States, Latin America, Asia, Middle East, Africa and Central East Europe.
- A leading French banking group completes FLEXCUBE deployment in the 3<sup>rd</sup> country in Asia after Cambodia and Laos.
- A leading middle-east bank using Misys Backoffice signs up for FLEXCUBE Direct Banking to support and service customers on the internet and mobile devices.
- Oracle announced the availability of the Oracle Banking Platform, a comprehensive suite of business applications for large global banks. Oracle Banking Platform complements Oracle's FLEXCUBE core banking product, which will continue to be sold globally to banks seeking a fully integrated banking solution, addressing the need for universal, commercial banking and international operations.
- Oracle announced the availability of Oracle Financial Services Analytical Applications for Customer Insight, a comprehensive solution that enables financial services institutions to gain a 360-degree view of customer relationships across finance, risk management and marketing for extended and actionable insight into customer behavior. Oracle Financial Services Analytical Applications for Customer Insight includes four key applications: Oracle Financial Services Retail Performance, Oracle Financial Services Retail Customer Analytics, Oracle Financial Services Channel Analytics and Oracle Financial Services Institutional Performance.
- Oracle announced the availability of Oracle Financial Services Enterprise Stress Testing & Capital Planning Analytics, an enterprise-wide reporting tool that helps financial institutions assess the impact of adverse scenarios on their risk and performance, improve capital management and strategic planning, while efficiently facilitating compliance with emerging regulatory requirements around stress testing. This provides out-of-the-box regulatory templates designed to address stress testing requirements mandated by the US Federal Reserve as part of the Dodd-Frank regulations.





**ORACLE FINANCIAL SERVICES SOFTWARE GROUP**

**Q2 FY 2012-13 : FINANCIAL RESULTS**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(In INR Millions, except per share data)

| Particulars                               | Three Months Ended |               |               |               | % Increase (Decrease) |
|-------------------------------------------|--------------------|---------------|---------------|---------------|-----------------------|
|                                           | Sept 30, 2012      | % of Revenues | Sept 30, 2011 | % of Revenues |                       |
| <b>REVENUES</b>                           |                    |               |               |               |                       |
| Products                                  | 5,845              | 74%           | 5,245         | 69%           | 11%                   |
| Services                                  | 1,812              | 23%           | 2,062         | 27%           | (12%)                 |
| BPO - Services                            | 278                | 4%            | 255           | 3%            | 9%                    |
| <b>Total Revenues</b>                     | <b>7,935</b>       | <b>100%</b>   | <b>7,562</b>  | <b>100%</b>   | <b>5%</b>             |
| <b>SEGMENT RESULTS</b>                    |                    |               |               |               |                       |
| Products                                  | 1,984              | 34%           | 2,006         | 38%           | (1%)                  |
| Services                                  | 194                | 11%           | 651           | 32%           | (70%)                 |
| BPO - Services                            | 134                | 48%           | 124           | 49%           | (8%)                  |
| <b>Total</b>                              | <b>2,312</b>       | <b>29%</b>    | <b>2,782</b>  | <b>37%</b>    | <b>(17%)</b>          |
| Unallocable expenses                      | (305)              | (4%)          | (397)         | (5%)          | (23%)                 |
| <b>OPERATING INCOME</b>                   | <b>2,007</b>       | <b>25%</b>    | <b>2,385</b>  | <b>32%</b>    | <b>(16%)</b>          |
| Interest and other income, net            | 540                | 7%            | 1,393         | 18%           | (61%)                 |
| Exceptional item income / (expense)       | -                  | 0%            | 866           | 11%           | (100%)                |
| <b>INCOME BEFORE PROVISION OF TAXES</b>   | <b>2,548</b>       | <b>32%</b>    | <b>2,912</b>  | <b>39%</b>    | <b>(13%)</b>          |
| Provision for taxes                       | 973                | 12%           | 826           | 11%           | 18%                   |
| <b>NET INCOME</b>                         | <b>1,574</b>       | <b>20%</b>    | <b>2,086</b>  | <b>28%</b>    | <b>(25%)</b>          |
| Earnings per share of Rs 5/- each (in Rs) |                    |               |               |               |                       |
| Basic                                     | 18.75              |               | 24.86         |               | (25%)                 |
| Diluted                                   | 18.67              |               | 24.84         |               | (25%)                 |



| ORACLE FINANCIAL SERVICES SOFTWARE GROUP                                                                                        |                 |               |               |               |                       |
|---------------------------------------------------------------------------------------------------------------------------------|-----------------|---------------|---------------|---------------|-----------------------|
| FY 2012-13 YEAR TO DATE: FINANCIAL RESULTS<br>CONSOLIDATED STATEMENTS OF OPERATIONS<br>(In INR Millions, except per share data) |                 |               |               |               |                       |
| Particulars                                                                                                                     | Half Year Ended |               |               |               | % Increase (Decrease) |
|                                                                                                                                 | Sept 30, 2012   | % of Revenues | Sept 30, 2011 | % of Revenues |                       |
| <b>REVENUES</b>                                                                                                                 |                 |               |               |               |                       |
| Products                                                                                                                        | 12,952          | 74%           | 10,055        | 68%           | 29%                   |
| Services                                                                                                                        | 3,949           | 23%           | 4,240         | 29%           | (7%)                  |
| BPO - Services                                                                                                                  | 497             | 3%            | 388           | 3%            | 28%                   |
| <b>Total Revenues</b>                                                                                                           | <b>17,398</b>   | <b>100%</b>   | <b>14,683</b> | <b>100%</b>   | <b>18%</b>            |
| <b>SEGMENT RESULTS</b>                                                                                                          |                 |               |               |               |                       |
| Products                                                                                                                        | 5,239           | 40%           | 3,925         | 39%           | 33%                   |
| Services                                                                                                                        | 794             | 20%           | 1,286         | 30%           | (38%)                 |
| BPO - Services                                                                                                                  | 223             | 45%           | 124           | 32%           | 80%                   |
| <b>Total</b>                                                                                                                    | <b>6,256</b>    | <b>36%</b>    | <b>5,335</b>  | <b>36%</b>    | <b>17%</b>            |
| Unallocable expenses                                                                                                            | (535)           | (3%)          | (756)         | (5%)          | (29%)                 |
| <b>OPERATING INCOME</b>                                                                                                         | <b>5,721</b>    | <b>33%</b>    | <b>4,580</b>  | <b>31%</b>    | <b>25%</b>            |
| Interest and other income, net                                                                                                  | 2,264           | 13%           | 2,143         | 15%           | 6%                    |
| Exceptional item                                                                                                                | -               | 0%            | (866)         | (6%)          | (100%)                |
| <b>INCOME BEFORE PROVISION OF TAXES</b>                                                                                         | <b>7,985</b>    | <b>46%</b>    | <b>5,857</b>  | <b>40%</b>    | <b>36%</b>            |
| Provision for taxes                                                                                                             | 2,730           | 16%           | 1,730         | 12%           | 58%                   |
| <b>NET INCOME</b>                                                                                                               | <b>5,255</b>    | <b>30%</b>    | <b>4,129</b>  | <b>28%</b>    | <b>27%</b>            |
| Earnings per share of Rs 5/- each (in Rs)                                                                                       |                 |               |               |               |                       |
| Basic                                                                                                                           | 62.57           |               | 49.20         |               | 27%                   |
| Diluted                                                                                                                         | 62.35           |               | 49.15         |               | 27%                   |



**Oracle Financial Services Software Limited**  
**Q2 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         |          |          | 12,952        |
| Services Business                  | 2,177                  | 2,062        | 1,895        | 1,687        | 7,821         | 2,137                  | 1,812         |          |          | 3,949         |
| BPO Business                       | 134                    | 255          | 220          | 215          | 823           | 219                    | 278           |          |          | 497           |
| <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>-</b> | <b>-</b> | <b>17,398</b> |
| <b>Geographic Revenues</b>         |                        |              |              |              |               |                        |               |          |          |               |
| <b>Products Business</b>           |                        |              |              |              |               |                        |               |          |          |               |
| NAMER                              | 29%                    | 25%          | 27%          | 25%          | 26%           | 28%                    | 22%           |          |          |               |
| JAPAC                              | 35%                    | 37%          | 37%          | 40%          | 37%           | 35%                    | 42%           |          |          |               |
| EMEA                               | 36%                    | 37%          | 36%          | 35%          | 36%           | 37%                    | 36%           |          |          |               |
| <b>Services Business</b>           |                        |              |              |              |               |                        |               |          |          |               |
| NAMER                              | 54%                    | 65%          | 63%          | 65%          | 61%           | 59%                    | 56%           |          |          |               |
| JAPAC                              | 28%                    | 20%          | 23%          | 20%          | 23%           | 23%                    | 23%           |          |          |               |
| EMEA                               | 18%                    | 15%          | 15%          | 15%          | 16%           | 19%                    | 21%           |          |          |               |
| <b>Total Company</b>               |                        |              |              |              |               |                        |               |          |          |               |
| NAMER                              | 37%                    | 37%          | 36%          | 34%          | 36%           | 36%                    | 31%           |          |          |               |
| JAPAC                              | 33%                    | 32%          | 33%          | 36%          | 33%           | 32%                    | 37%           |          |          |               |
| EMEA                               | 30%                    | 30%          | 31%          | 31%          | 31%           | 32%                    | 32%           |          |          |               |
| <b>Revenue Analysis by Type</b>    |                        |              |              |              |               |                        |               |          |          |               |
| <b>Product Revenues</b>            |                        |              |              |              |               |                        |               |          |          |               |
| License Fees                       | 12%                    | 6%           | 10%          | 21%          | 13%           | 20%                    | 6%            |          |          |               |
| Professional Services              | 58%                    | 68%          | 60%          | 55%          | 60%           | 57%                    | 66%           |          |          |               |
| Maintenance                        | 30%                    | 25%          | 29%          | 24%          | 27%           | 23%                    | 28%           |          |          |               |
| <b>Services Revenues</b>           |                        |              |              |              |               |                        |               |          |          |               |
| Fixed Price                        | 28%                    | 26%          | 16%          | 29%          | 25%           | 26%                    | 24%           |          |          |               |
| Time & Material Basis              | 72%                    | 74%          | 84%          | 71%          | 75%           | 74%                    | 76%           |          |          |               |
| On-site                            | 52%                    | 45%          | 51%          | 42%          | 47%           | 48%                    | 49%           |          |          |               |
| Off-shore                          | 48%                    | 55%          | 49%          | 58%          | 53%           | 52%                    | 51%           |          |          |               |
| <b>Customer Concentration</b>      |                        |              |              |              |               |                        |               |          |          |               |
| <b>Product Customers</b>           |                        |              |              |              |               |                        |               |          |          |               |
| Top Customer                       | 11%                    | 17%          | 16%          | 12%          | 14%           | 16%                    | 20%           |          |          |               |
| Top 5 Customers                    | 23%                    | 29%          | 31%          | 25%          | 24%           | 35%                    | 30%           |          |          |               |
| Top 10 Customers                   | 32%                    | 39%          | 40%          | 40%          | 34%           | 44%                    | 37%           |          |          |               |
| <b>Services Customers</b>          |                        |              |              |              |               |                        |               |          |          |               |
| Top Customer                       | 13%                    | 15%          | 16%          | 13%          | 14%           | 12%                    | 8%            |          |          |               |
| Top 5 Customers                    | 46%                    | 47%          | 46%          | 39%          | 39%           | 38%                    | 39%           |          |          |               |
| Top 10 Customers                   | 62%                    | 62%          | 62%          | 64%          | 59%           | 59%                    | 59%           |          |          |               |
| <b>Total Company</b>               |                        |              |              |              |               |                        |               |          |          |               |
| Top Customer                       | 10%                    | 12%          | 13%          | 9%           | 11%           | 13%                    | 16%           |          |          |               |
| Top 5 Customers                    | 27%                    | 29%          | 31%          | 23%          | 25%           | 31%                    | 26%           |          |          |               |
| Top 10 Customers                   | 36%                    | 38%          | 40%          | 37%          | 36%           | 40%                    | 36%           |          |          |               |
| <b>Trade Receivables</b>           |                        |              |              |              |               |                        |               |          |          |               |
| 0-180 days                         | 80%                    | 80%          | 77%          | 80%          | 80%           | 93%                    | 92%           |          |          |               |
| More than 180 days                 | 20%                    | 20%          | 23%          | 20%          | 20%           | 7%                     | 8%            |          |          |               |
| DSO (Days)                         | 99                     | 97           | 106          | 93           | 93            | 73                     | 76            |          |          |               |
| <b>Attrition Rate (TTM)</b>        | 29%                    | 25%          | 23%          | 21%          | 21%           | 18%                    | 15%           |          |          |               |
| <b>Staff Data</b>                  |                        |              |              |              |               |                        |               |          |          |               |
| Products                           | 4,909                  | 5,271        | 5,425        | 5,566        | 5566          | 5,589                  | 5,852         |          |          |               |
| Services                           | 2,961                  | 2,830        | 2,789        | 2,723        | 2723          | 2,777                  | 2,811         |          |          |               |
| BPO Business                       | 741                    | 723          | 720          | 716          | 716           | 739                    | 823           |          |          |               |
| Support (incl Sales and Marketing) | 730                    | 685          | 683          | 677          | 677           | 681                    | 645           |          |          |               |
| <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> |          |          |               |



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