

For Immediate Release

**Oracle Financial Services Software Limited Net Income for the full year ended
March 2009 grows 77% YOY to Rs 737 Crores
*Revenue for the full year at Rs 2928 Crores up 23%***

Mumbai, India, May 15, 2009: Oracle Financial Services Software Limited (Reuters: ORCL.BO & ORCL.NS), a majority owned subsidiary of Oracle Corporation, announced today that its full year FY09 consolidated Indian GAAP revenues were up 23%. The full year consolidated Indian GAAP net income was up 77%, while operating income was up 81%.

GAAP revenue from the products business was up 31% to Rs. 1,813 crore, while GAAP revenue from the services business was up 11% YoY to Rs. 1,043 crore.

“We are delighted to have delivered outstanding growth in earnings for the full year with the earnings per share increasing by 77% to Rs 88. The continued momentum in customer wins and growing traction in multiple markets demonstrate our compelling value proposition,” said N.R.K. Raman, Managing Director and CEO, Oracle Financial Services Software.

“Driven by strong operating performance, our cash flow from operations in FY09 grew 63% over the last fiscal year. Our continued focus on cost containment and productivity improvements have resulted in operating margins increasing by 7.9 percentage points and net margins increasing by 7.7 percentage points as compared to last year. All lines of business have registered an increase in profitability,” said Makarand Padalkar, Chief Financial Officer, Oracle Financial Services Software.

Business Highlights

- Signed 26 new customers in the quarter for products and services in the quarter. In the full year, signed 68 new customers, up from 56 new customers in the last financial year
- The product business won 23 new customers in the quarter and signed new initial license fees of Rs.149 Crores (US\$29 Million) demonstrating continued momentum in software sales
- The net income for the quarter ended March 2009 grew 48% y-o-y compared to Q4 of last fiscal year.

Product Highlights

- Product revenues for the full year grow 31% to Rs 1813 Crores
- The annual maintenance revenue for the year grows by 49% to Rs 364 Crores
- Oracle FLEXCUBE makes strong headway in Asia with wins in Cambodia, Vietnam, Nepal and Bangladesh; and further strengthens position in China with an additional win.
- Oracle FLEXCUBE Universal Banking wins another multi-country deployment in Europe from one of the world's largest Financial Services Institutions.
- Other wins in EMEA region, include banks in Egypt, Qatar, Hungary, Kenya, Algeria, and the UK.
- Oracle FLEXCUBE wins in Americas include two banks in United States of America, a bank in Barbados and a Colombian bank.
- One of Indonesia's largest lenders selects Oracle Reveleus Basel II
- Oracle Reveleus and Mantas new customer wins includes banks in Algeria, UAE, Hungary, Pakistan and Korea.
- Eight banks go live on Oracle FLEXCUBE during the quarter.
- New product releases in the quarter include Oracle FLEXCUBE Direct Banking, Oracle Reveleus ICAAP, Oracle Reveleus Market Risk and Oracle Mantas.

Consulting Highlights

- Development of a Centralized Pricing System for a global Tier -1 bank in Singapore.
- A leading Tanzanian Bank engaged Oracle Financial Services Consulting to develop a portal for servicing its Corporate Customers.
- Other Services wins include Basel II Consulting for a state-owned bank in India and Remote Infrastructure Management Services (RIMS) for a customer in North America.
- ISO27001 surveillance audit completed successfully in Information Security Management, for the two development centres in Mumbai, India.

ORACLE FINANCIAL SERVICES SOFTWARE GROUP

FY 2008-09 : FINANCIAL RESULTS CONSOLIDATED STATEMENTS OF OPERATIONS (In INR Thousands, except per share data)

Particulars	Year Ended				% Increase (Decrease)
	March 31, 2009	% of Revenues	March 31, 2008	% of Revenues	
REVENUES					
Products	18,131,084	62%	13,871,996	58%	31%
Services	10,426,034	36%	9,371,230	39%	11%
KPO - Services	719,077	2%	475,465	2%	51%
Joint Venture	-	0%	83,673	0%	(100%)
Total Revenues	29,276,195	100%	23,802,363	100%	23%
OPERATING EXPENSES					
Cost of revenue	14,491,636	49%	13,076,777	55%	11%
Gross Income	14,784,559	51%	10,725,586	45%	38%
Selling and marketing expenses	3,426,342	12%	2,702,383	11%	27%
General and administrative expenses	3,603,425	12%	3,350,896	14%	8%
Depreciation and amortization	557,943	2%	705,888	3%	(21%)
Total Operating Expenses	22,079,346	75%	19,835,944	83%	11%
OPERATING INCOME	7,196,849	25%	3,966,419	17%	81%
Impairment loss	(291,050)	(1%)	-	0%	
Interest income / (expense)	770,563	3%	464,767	2%	66%
Other income (expenses), net	1,018,849	3%	174,938	1%	482%
Exceptional item income / (expense)	(468,900)	(2%)	-	0%	
INCOME BEFORE PROVISION OF TAXES	8,226,311	28%	4,606,124	19%	79%
Provision for taxes	835,363	3%	441,685	2%	89%
Net Income for the period before share of loss of associate company and minority interest	7,390,948	25%	4,164,439	17%	77%
Share of loss of associate company	12,595	0%	4,128	0%	205%
Share of minority interest	12,925	0%	4,425	0%	192%
NET INCOME	7,365,428	25%	4,155,886	17%	77%
Earnings per share of Rs 5/- each (in Rs)					
Basic	87.93		49.66		77%
Diluted	87.90		49.58		77%

ORACLE FINANCIAL SERVICES SOFTWARE GROUP

Q4 FY 2008-09 : FINANCIAL RESULTS CONSOLIDATED STATEMENTS OF OPERATIONS (In INR Thousands, except per share data)

Particulars	Three Month Ended				% Increase (Decrease)
	March 31, 2009	% of Revenues	March 31, 2008	% of Revenues	
REVENUES					
Products	5,183,821	65%	4,167,370	62%	24%
Services	2,551,985	32%	2,404,995	36%	6%
KPO - Services	213,013	3%	114,819	2%	86%
Joint Venture	-	0%	27,843	0%	(100%)
Total Revenues	7,948,819	100%	6,715,026	100%	18%
OPERATING EXPENSES					
Cost of revenue	3,418,963	43%	3,407,262	51%	0%
Gross Income	4,529,856	57%	3,307,764	49%	37%
Selling and marketing expenses	561,142	7%	734,049	11%	(24%)
General and administrative expenses	828,332	10%	877,610	13%	(6%)
Depreciation and amortization	136,723	2%	155,398	2%	(12%)
Total Operating Expenses	4,945,160	62%	5,174,319	77%	(4%)
OPERATING INCOME	3,003,659	38%	1,540,707	23%	95%
Impairment loss	(291,050)	(4%)	-	0%	
Interest income / (expense)	233,477	3%	124,448	2%	88%
Other income (expenses), net	207,578	3%	330,905	5%	(37%)
INCOME BEFORE PROVISION OF TAXES	3,153,664	40%	1,996,060	30%	58%
Provision for taxes	412,949	5%	140,754	2%	193%
Net Income for the period before share of loss of associate company and minority interest	2,740,715	34%	1,855,306	28%	48%
Share of loss of associate company	419	0%	2,418	0%	(83%)
Share of minority interest	232	0%	4,425	0%	(95%)
NET INCOME	2,740,064	34%	1,848,463	28%	48%
Earnings per share of Rs 5/- each (in Rs)					
Basic	32.71		22.09		48%
Diluted	32.70		22.05		48%

Oracle Financial Services Software Limited
Q4 FY 2008-09 FINANCIAL RESULTS
SUPPLEMENTAL OPERATING METRICS

All numbers except percentages are in INR Million	Financial Year 2007-08					Financial Year 2008-09				
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year
Segmental Revenue										
Product Business	2,805	3,313	3,642	4,196	13,956	3,634	4,434	4,880	5,184	18,132
Services Business	2,197	2,313	2,456	2,405	9,371	2,515	2,414	2,945	2,552	10,426
KPO Business	131	131	98	115	475	169	149	187	213	718
Total	5,133	5,757	6,196	6,716	23,802	6,318	6,997	8,012	7,949	29,276
Geographic Revenues										
Products Business										
North America	22%	16%	15%	15%	17%	13%	16%	11%	14%	14%
Middle East and Africa	20%	18%	19%	21%	19%	20%	19%	22%	21%	20%
Asia Pacific	16%	25%	22%	15%	19%	16%	15%	23%	18%	18%
Europe	41%	40%	43%	49%	44%	48%	49%	40%	42%	45%
Latin America and Caribbean	1%	2%	1%	1%	1%	2%	2%	4%	5%	3%
Services Business										
North America	59%	58%	53%	55%	56%	56%	55%	52%	54%	54%
Middle East and Africa	5%	3%	4%	6%	5%	4%	5%	7%	7%	6%
Asia Pacific	17%	20%	20%	19%	19%	19%	28%	23%	22%	23%
Europe	19%	18%	23%	20%	20%	21%	12%	19%	17%	17%
Latin America and Caribbean	0%	0%	0%	0%	0%	0%	0%	0%	1%	0%
Total Company										
North America	39%	34%	32%	30%	33%	31%	30%	27%	28%	29%
Middle East and Africa	13%	12%	12%	15%	13%	13%	14%	16%	16%	15%
Asia Pacific	17%	23%	21%	16%	19%	17%	20%	23%	19%	20%
Europe	31%	31%	34%	38%	34%	37%	35%	32%	33%	34%
Latin America and Caribbean	1%	1%	1%	1%	1%	1%	1%	2%	3%	2%
Revenue Analysis by Type										
Product Revenues										
License Fees	21%	19%	24%	27%	23%	20%	22%	18%	27%	22%
Professional Services	59%	64%	60%	55%	59%	61%	56%	62%	55%	58%
Maintenance	20%	17%	16%	18%	18%	19%	22%	20%	19%	20%
Services Revenues										
Fixed Price	13%	10%	15%	16%	14%	16%	10%	27%	38%	23%
Time & Material Basis	86%	89%	85%	84%	86%	84%	90%	73%	62%	77%
On-site	63%	64%	62%	64%	64%	65%	66%	61%	61%	63%
Off-shore	37%	36%	38%	36%	36%	35%	34%	39%	39%	37%
Customer Concentration										
Product Customers										
Top Customer	6%	10%	7%	8%	8%	5%	6%	5%	6%	6%
Top 5 Customers	23%	25%	25%	23%	23%	21%	20%	19%	21%	18%
Top 10 Customers	36%	37%	40%	34%	34%	33%	33%	31%	34%	28%
Citigroup and its entities	15%	11%	12%	9%	11%	10%	9%	10%	8%	9%
Services Customers										
Top Customer	7%	5%	11%	13%	13%	10%	11%	8%	7%	8%
Top 5 Customers	24%	24%	29%	34%	34%	17%	28%	28%	26%	26%
Top 10 Customers	40%	39%	45%	48%	48%	26%	42%	40%	40%	41%
Citigroup and its entities	36%	35%	33%	39%	36%	30%	42%	36%	34%	36%
Total Company										
Top Customer	5%	6%	9%	7%	7%	7%	5%	5%	5%	5%
Top 5 Customers	16%	16%	24%	24%	24%	19%	17%	17%	17%	18%
Top 10 Customers	26%	26%	34%	33%	33%	30%	27%	27%	27%	26%
Citigroup and its entities	25%	21%	21%	19%	21%	19%	22%	20%	17%	20%
Trade Receivables										
0-180 days	78%	71%	83%	87%	87%	87%	84%	89%	88%	88%
More than 180 days	22%	29%	17%	13%	13%	13%	16%	11%	12%	12%
DSO	102	110	102	119	119	114	102	96	96	96
Staff Data										
Products	3,218	3,738	3,914	3,940	3,940	3,921	4,906	4,994	4,881	4,881
Services	4,266	4,922	5,045	5,024	5,024	4,956	4,651	4,484	4,239	4,239
ASP Services						124	144	159	166	166
KPO Business	1,042	991	938	875	875	852	824	766	972	972
Support (incl Sales and Marketing)	1,007	1,127	1,117	1,167	1,167	1,164	1,111	1,121	1,128	1,128
Total	9,533	10,778	11,014	11,006	11,006	11,017	11,636	11,524	11,386	11,386

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. Oracle Corporation [NASDAQ: ORCL] is the world's largest enterprise software company. For more information, visit www.oracle.com/financialservices.

Trademark

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“Safe Harbor” Statement: Statements in this press release relating to Oracle Financial Software Services 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 May 15, 2009. Oracle Financial Services Software Limited undertakes no duty to update any statement in light of new information or future events.

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