

**Oracle Financial Services Software Limited**

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

Tel: + 91 22 6718 3000 Fax: + 91 22 6718 3001

CIN: L72200MH1989PLC053666

Website: www.oracle.com/financialservices

E-mail: investors-vp-ofss\_in\_grp@oracle.com

**Unaudited Consolidated Financial Results for the Three Month Period Ended June 30, 2016**

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

PART I	Particulars	Three month period ended			Year ended
		June 30, 2016	March 31, 2016	June 30, 2015	March 31, 2016
		Unaudited	Audited *	Unaudited	Audited
1	<b>INCOME</b>				
	Revenue from operations	117,713	106,424	104,831	413,122
	<b>Total income from operations</b>	<b>117,713</b>	<b>106,424</b>	<b>104,831</b>	<b>413,122</b>
2	<b>EXPENSES</b>				
	(a) Employee costs	54,953	48,844	48,836	194,958
	(b) Travel related expenses	6,055	5,322	5,015	21,463
	(c) Professional fees	4,376	3,632	3,459	14,536
	(d) Other expenses	4,811	8,608	4,841	20,992
	(e) Depreciation and amortisation	1,918	1,316	1,418	5,293
	<b>Total Expenses</b>	<b>72,113</b>	<b>67,722</b>	<b>63,569</b>	<b>257,242</b>
3	<b>Profit before other income and exceptional items</b>	<b>45,600</b>	<b>38,702</b>	<b>41,262</b>	<b>155,880</b>
4	Other income, net	5,351	4,627	8,448	21,074
5	<b>Profit before exceptional items</b>	<b>50,951</b>	<b>43,329</b>	<b>49,710</b>	<b>176,954</b>
6	Exceptional item [Refer note 7]	-	-	(4,372)	(2,193)
7	<b>Profit before tax</b>	<b>50,951</b>	<b>43,329</b>	<b>45,338</b>	<b>174,761</b>
8	Tax expenses				
	(a) Current tax	17,001	19,414	19,271	70,702
	(b) Deferred tax	(688)	1,457	(1,982)	(832)
	<b>Total tax expenses</b>	<b>16,313</b>	<b>20,871</b>	<b>17,289</b>	<b>69,870</b>
9	<b>Net profit for the period</b>	<b>34,638</b>	<b>22,458</b>	<b>28,049</b>	<b>104,891</b>
10	Share of (loss) / Profit of associates	(16)	(31)	(10)	(2)
11	<b>Net Profit after taxes and share of profit</b>	<b>34,622</b>	<b>22,427</b>	<b>28,039</b>	<b>104,889</b>
12	Other Comprehensive Income	1,271	1,979	1,010	5,233
13	<b>Total Comprehensive Income</b>	<b>35,893</b>	<b>24,406</b>	<b>29,049</b>	<b>110,122</b>
14	Paid up equity share capital (face value ₹ 5 each, fully paid)	4,237	4,235	4,223	4,235
15	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year				463,123
16	Earnings per share (face value ₹ 5 each, fully paid)				
	(a) Basic (in ₹)	40.79	26.43	33.13	123.78
	(b) Diluted (in ₹)	40.68	26.32	32.96	123.12
	See accompanying note to the financial results				

(\*) Refer note 4

**Notes to financial results :**

- The above unaudited consolidated financial results for the three month period ended June 30, 2016 have been approved by the Board of Directors of the Company at its meeting held on August 12, 2016. The Statutory Auditors of the Company have carried out a Limited Review of the consolidated financial results for the three month period ended June 30, 2016. There are no qualifications in the Limited Review Report issued by the Auditors.
- Oracle Financial Services Software Limited (the 'Company' or the 'Group') adopted Indian Accounting Standards (Ind AS) from April 1, 2016, and accordingly this consolidated financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34, 'Interim Financial Reporting' prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and the other accounting principles generally accepted in India. Financial results for all the periods presented have been prepared in accordance with the recognition and measurement principles of Ind AS 34.

- 3 As required by Circular no. CIR/CFD/FAC/62/2016 dated July 5, 2016 issued by the Securities and Exchange Board of India ('SEBI'), the financial results and financial information for the quarter ended June 30, 2015 have been compiled by the management after making the necessary adjustments to give a true and fair view of the results in accordance with Ind AS. These have neither been audited nor reviewed. The Ind AS financial results and other financial information as of and for the year ended March 31, 2016 have been audited.
- 4 The figures for the three month period ended March 31, 2016 are the balancing figures between audited figures in respect of the full financial year ended March 31, 2016 and unaudited year-to-date figures up to December 31, 2015, being the end of the third quarter of the financial year, which were subjected to limited review.
- 5 Current tax charge for the quarter and year ended March 31, 2016 includes provision made in relation to foreign tax receivable of ₹ 4,130 lacs.
- 6 During the three month period ended June 30, 2016, the Company allotted 51,434 equity shares of face value of ₹ 5 each on exercise of stock options by eligible employees under the prevailing ESOP schemes.
- 7 In the three month period ended June 30, 2015, the Company had charged an amount of ₹ 4,372 lacs in the consolidated financial results in relation to an Arbitration award passed against a wholly owned subsidiary company. The subsidiary company had settled the said dispute for full release of all claims and accordingly, the net charge for year ended March 31, 2016 is ₹ 2,193 lacs.
- 8 Particulars of other income, net

(₹ in lacs)

Particulars	Three month period ended			Year ended
	June 30, 2016	March 31, 2016	June 30, 2015	March 31, 2016
	Unaudited	Audited *	Unaudited	Audited
Finance income	4,150	3,747	7,680	21,802
Exchange gain (loss), net	551	(20)	1,163	(2,220)
Miscellaneous income, net	650	900	(395)	1,492
<b>Total</b>	<b>5,351</b>	<b>4,627</b>	<b>8,448</b>	<b>21,074</b>

9 Reporting segmentwise revenue, results, assets and liabilities

(₹ in lacs)

Particulars	Three month period ended			Year ended
	June 30, 2016	March 31, 2016	June 30, 2015	March 31, 2016
	Unaudited	Audited *	Unaudited	Audited
<b>(a) Segment revenue</b>				
Product licenses and related activities	99,820	91,164	87,580	346,804
IT solutions and consulting services	14,974	12,350	14,430	54,757
Business process outsourcing services	2,920	2,910	2,821	11,561
	<b>117,713</b>	<b>106,424</b>	<b>104,831</b>	<b>413,122</b>
<b>(b) Segment results</b>				
Product licenses and related activities	45,400	42,400	40,968	158,363
IT solutions and consulting services	1,899	579	1,525	6,124
Business process outsourcing services [Refer note 7]	892	951	(3,277)	1,807
	<b>48,191</b>	<b>43,930</b>	<b>39,216</b>	<b>166,294</b>
Finance income	4,150	3,747	7,680	21,802
Other un-allocable income (expenses), net	(1,390)	(4,348)	(1,558)	(13,335)
<b>Profit before tax</b>	<b>50,951</b>	<b>43,329</b>	<b>45,338</b>	<b>174,761</b>
<b>(c) Segment assets</b>				
Product licenses and related activities	191,642	173,964	154,293	173,964
IT solutions and consulting services	27,781	26,143	30,016	26,143
Business process outsourcing services	3,181	2,819	2,790	2,819
Unallocable	402,570	365,643	475,960	365,643
	<b>625,174</b>	<b>568,569</b>	<b>663,059</b>	<b>568,569</b>
<b>(d) Segment liabilities</b>				
Product licenses and related activities	84,772	70,404	70,755	70,404
IT solutions and consulting services	10,590	8,592	10,683	8,592
Business process outsourcing services [Refer note 7]	1,402	1,209	5,827	1,209
Unallocable	22,471	20,977	16,962	20,977
	<b>119,235</b>	<b>101,182</b>	<b>104,226</b>	<b>101,182</b>

(\*) Refer note 4

**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 and business process outsourcing services. The income and expenses which are not directly attributable to a business segment are classified 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 revenue, deposits for premises and fixed assets. Segment liabilities primarily includes deferred revenues, advance from customers, accrued employee cost and other current liabilities. While most such assets and liabilities can be directly attributed to individual segments, the carrying amount of certain assets and liabilities used jointly by two or more 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 standalone results for the three month period ended June 30, 2016**

(₹ in lacs, except per share data)

Particulars	Three month period ended			Year ended
	June 30, 2016	March 31, 2016	June 30, 2015	March 31, 2016
	Unaudited	Audited *	Unaudited	Audited
<b>Revenue from operations</b>	<b>101,032</b>	<b>91,503</b>	<b>88,727</b>	<b>352,843</b>
<b>Net profit after tax for the period</b>	<b>29,558</b>	<b>20,599</b>	<b>24,912</b>	<b>89,776</b>
Earnings per share (face value ₹ 5 each, fully paid)				
Basic (in ₹)	34.02	23.66	28.96	105.08
Diluted (in ₹)	33.93	23.56	28.81	104.52

(\*) Refer note 4

**11 Reconciliation between consolidated statement of profit and loss as previously reported (referred to as 'Previous GAAP') and Ind AS :**

(₹ in lacs, except per share data)

Particulars	Three month period ended		Year ended
	March 31, 2016	June 30, 2015	March 31, 2016
	Audited *	Unaudited	Audited
<b>Net Profit under Previous GAAP</b>	<b>22,436</b>	<b>32,933</b>	<b>116,578</b>
Stock Compensation Charge	(799)	(886)	(3,489)
Fair valuation of Financial Assets along with Expected Credit Loss on financial assets	(507)	307	(442)
Provisions for current period made in subsequent periods	324	(252)	-
Deferred Taxes including taxes on undistributed earnings of subsidiaries	(1,975)	819	(170)
Reclass of actuarial gain to Other components of equity	767	(85)	585
Deferral of revenue including discounting due to extended payment terms	4,483	(2,485)	(972)
Exchange differences on translation of foreign operations	(2,259)	(2,299)	(7,273)
Others	(43)	(13)	72
<b>Net Profit under Ind AS</b>	<b>22,427</b>	<b>28,039</b>	<b>104,889</b>
Other Comprehensive Income	1,979	1,010	5,233
<b>Total Comprehensive Income under Ind AS</b>	<b>24,406</b>	<b>29,049</b>	<b>110,122</b>

(\*) Refer note 4

12 Mr. Derek H Williams, Non-Executive Non-Independent Director of the Company, passed away on July 23, 2016.

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

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

Mumbai, India  
 August 12, 2016

**Chaitanya Kamat**  
 Managing Director & Chief Executive Officer