



FOR IMMEDIATE RELEASE

**Oracle Financial Services Software Reports Q3 Fiscal Year 2016  
Revenue for the Quarter of Rs. 1,020 Crore up 9% Year-over-Year;  
Net Income of Rs. 290 Crore up 16% Year-over-Year**

Mumbai, India, February 10, 2016: 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, 2015. Net income was Rs. 290 Crore up 16% compared to the quarter ended December 31, 2014. Consolidated revenue for the quarter was Rs. 1,020 Crore up 9% over the quarter ended December 31, 2014. The operating income for the quarter was Rs. 413 Crore up 26% over the quarter ended December 31, 2014.

The products business posted revenue of Rs. 860 Crore and operating margins of 46%, while the services business posted revenue of Rs. 131 Crore and operating margins of 9%.

“We are pleased to report another robust quarter with our license fee signings posting 36% growth as compared to the quarter ended December 2014, and our revenue from products segment in the quarter posted a healthy 14% growth year-over-year. We have several significant deals across Asia, Africa, Europe and the U.S.,” said Chet Kamat, Managing Director and CEO of Oracle Financial Services Software.

“Operating results are strong; we posted operating margins of 40% in the quarter and year-over-year our operating income increased 26%. Our focus on operational excellence has delivered strong operating metrics; the days of sales outstanding at the end of December 2015 were at 44 days”, said Makarand Padalkar, Chief Financial Officer for Oracle Financial Services Software.

**Business Highlights**

- The Company signed new license deals amounting to US\$ 23 million in the quarter.
- The customers for the quarter who are deploying Oracle Financial Services solutions span across various regions around the globe including Australia, Egypt, Hungary, Kenya, Korea, Myanmar, New Zealand, Pakistan, Saudi Arabia, South Africa, Taiwan, and the United States.
- 21 customers completed their deployments of Oracle Financial Services software products during the quarter.

- Co-op Money NZ has selected Oracle FLEXCUBE to deliver an agile, extensible and interoperable core banking system that will provide their members with improved access and user friendliness for all of their credit union needs. Co-op Money NZ's Members represent approximately 200,000 members and have more than 95 branches with assets of over \$1.5 billion and collectively are the sixth largest financial transactor by volume in New Zealand. "We are constantly working on improving efficiencies and bringing in solutions that enable our Members to provide the best in services to their members. The Oracle FLEXCUBE solution will replace our existing, legacy core banking system, and will become the one-stop solution for all information across Members that will use the system," said Henry Lynch, CEO of Co-op Money NZ.
- MKB Bank is one of Hungary's largest banks, with a particularly strong presence in the corporate and private wealth. As part of its growth strategy, the bank is targeting an increase in the SME sector and has committed to migrate from its existing core banking platform provider to Oracle FLEXCUBE Universal Banking, thereby helping to reduce its go-to-market time and reduce risks associated with availability, security or scalability.
- Oracle Banking Digital Experience (OBDX) built on open standards architecture— brings new comprehensive capabilities to banks seeking a digital transformation—customer and product acquisitions, business services, including payments innovation and customer financial insight. It provides more than 250 business services out of the box, including digital account and loan origination, digital wallets and mobile payments "Oracle is partnering with us to launch new digital capabilities into the market in weeks instead of months" said Matt Pancino, CEO Suncorp Business Services.
- CEB Tower Group [ranked](#) Oracle best in class in all four categories of their CX/CRM solutions for banking in a report from December 2015.
- Yuanta Financial Holdings is a comprehensive financial services firm and is a leader in securities-related businesses in Taiwan, offering a full range of services through its various subsidiaries. The firm has selected Oracle Financial Services Software Solutions Funds Transfer Pricing, Asset Liability Management, Liquidity Risk Management, Analytical Applications Infrastructure, Enterprise Modelling and Asset Liability Analytics & Advance Analytics for AAI. Yuanta's distribution network consists of 161 securities head office and branches and 88 banking branches with approximately 10 thousand professionals providing clients with a full range of financial services.
- One of the largest bank holding companies in Korea has selected Oracle Anti-Money Laundering to support its risk management operations.

- One of the largest and fastest growing Islamic banks in Pakistan that offers a wide range of Shariah-compliant banking products and services to its customers has selected Oracle Financial Services Analytical Applications to support its overall risk management and compliance. The bank also offers various Alternate Distribution Channels including Internet Banking, ATM Banking, Visa & MasterCard debit card, SMS Banking, SMS Alerts, Mobile Banking Application and Utility Bills Payment through ATM and Internet Banking.
- Published in December 2015, Risk.net's RiskTech Ranking placed Oracle as the number one vendor in the Risk Data Repository and Data Management categories under Enterprise Operational Risk Management.
- Oracle moved up to #4 on the Chartis RiskTech100. Chartis Research also named Oracle as Top Vendor in the 105 Risk Data Aggregation and Reporting category and category leader in the 2015 Enterprise Stress Testing Systems.

**ORACLE FINANCIAL SERVICES SOFTWARE GROUP**

**Q3 FY 2015-16 : FINANCIAL RESULTS  
CONSOLIDATED STATEMENTS OF OPERATIONS  
(In INR Millions, except per share data)**

| Particulars                               | Three Months Ended |               |              |               | % Increase (Decrease) |
|---|--------------------|---------------|--------------|---------------|-----------------------|
|   | Dec 31, 2015       | % of Revenues | Dec 31, 2014 | % of Revenues |                       |
| <b>REVENUES</b>                           |                    |               |              |               |                       |
| Products                                  | 8,604              | 84%           | 7,546        | 80%           | 14%                   |
| Services                                  | 1,310              | 13%           | 1,497        | 16%           | (12%)                 |
| BPO - Services                            | 284                | 3%            | 334          | 4%            | (15%)                 |
| <b>Total Revenues</b>                     | <b>10,198</b>      | <b>100%</b>   | <b>9,377</b> | <b>100%</b>   | 9%                    |
| <b>SEGMENT RESULTS</b>                    |                    |               |              |               |                       |
| Products                                  | 3,937              | 46%           | 3,213        | 43%           | 23%                   |
| Services                                  | 124                | 9%            | 134          | 9%            | (7%)                  |
| BPO - Services                            | 312                | 110%          | 158          | 47%           | 97%                   |
| <b>Total</b>                              | <b>4,373</b>       | <b>43%</b>    | <b>3,505</b> | <b>37%</b>    | 25%                   |
| Unallocable expenses                      | (248)              | (2%)          | (228)        | (2%)          | 9%                    |
| <b>OPERATING INCOME</b>                   | <b>4,125</b>       | <b>40%</b>    | <b>3,277</b> | <b>35%</b>    | 26%                   |
| Interest and other income, net            | 323                | 3%            | 446          | 5%            | (28%)                 |
| <b>INCOME BEFORE PROVISION OF TAXES</b>   | <b>4,448</b>       | <b>45%</b>    | <b>3,723</b> | <b>40%</b>    | 19%                   |
| Provision for taxes                       | 1,553              | 16%           | 1,226        | 13%           | 27%                   |
| <b>NET INCOME</b>                         | <b>2,895</b>       | <b>28%</b>    | <b>2,497</b> | <b>27%</b>    | 16%                   |
| Earnings per share of Rs 5/- each (in Rs) |                    |               |              |               |                       |
| Basic                                     | 34.14              |               | 29.52        |               | 16%                   |
| Diluted                                   | 33.89              |               | 29.42        |               | 15%                   |

**ORACLE FINANCIAL SERVICES SOFTWARE GROUP**

**FY 2015-16 YEAR TO DATE : FINANCIAL RESULTS  
CONSOLIDATED STATEMENTS OF OPERATIONS  
(In INR Millions, except per share data)**

| Particulars                               | Nine Months Ended |               |               |               | % Increase (Decrease) |
|---|-------------------|---------------|---------------|---------------|-----------------------|
|   | Dec 31, 2015      | % of Revenues | Dec 31, 2014  | % of Revenues |                       |
| <b>REVENUES</b>                           |                   |               |               |               |                       |
| Products                                  | 25,714            | 83%           | 24,060        | 81%           | 7%                    |
| Services                                  | 4,228             | 14%           | 4,722         | 16%           | (10%)                 |
| BPO - Services                            | 856               | 3%            | 769           | 3%            | 11%                   |
| <b>Total Revenues</b>                     | <b>30,798</b>     | <b>100%</b>   | <b>29,551</b> | <b>100%</b>   | <b>4%</b>             |
| <b>SEGMENT RESULTS</b>                    |                   |               |               |               |                       |
| Products                                  | 12,516            | 49%           | 10,898        | 45%           | 15%                   |
| Services                                  | 645               | 15%           | 824           | 17%           | (22%)                 |
| BPO - Services                            | 94                | 11%           | 222           | 29%           | (57%)                 |
| <b>Total</b>                              | <b>13,255</b>     | <b>43%</b>    | <b>11,944</b> | <b>40%</b>    | <b>11%</b>            |
| Unallocable expenses                      | (700)             | (2%)          | (644)         | (2%)          | 9%                    |
| <b>OPERATING INCOME</b>                   | <b>12,555</b>     | <b>41%</b>    | <b>11,300</b> | <b>38%</b>    | <b>11%</b>            |
| Interest and other income, net            | 1,930             | 6%            | 3,444         | 12%           | (44%)                 |
| <b>INCOME BEFORE PROVISION OF TAXES</b>   | <b>14,485</b>     | <b>47%</b>    | <b>14,744</b> | <b>50%</b>    | <b>(2%)</b>           |
| Provision for taxes                       | 5,071             | 16%           | 5,124         | 17%           | (1%)                  |
| <b>NET INCOME</b>                         | <b>9,414</b>      | <b>31%</b>    | <b>9,620</b>  | <b>33%</b>    | <b>(2%)</b>           |
| Earnings per share of Rs 5/- each (in Rs) |                   |               |               |               |                       |
| Basic                                     | 111.15            |               | 114.10        |               | (3%)                  |
| Diluted                                   | 110.33            |               | 113.54        |               | (3%)                  |

**Oracle Financial Services Software Limited**  
**Q3 FY 2015-16 Financial Results**  
**SUPPLEMENTAL OPERATING MATRICES**

|                                   | Financial Year 2014-15 |       |       |       |           | Financial Year 2015-16 |        |        |    |           |
|-----------------------------------|------------------------|-------|-------|-------|-----------|------------------------|--------|--------|----|-----------|
|                                   | Q1                     | Q2    | Q3    | Q4    | Full Year | Q1                     | Q2     | Q3     | Q4 | Full Year |
| <b>Segmental Revenue (INR Mn)</b> |                        |       |       |       |           |                        |        |        |    |           |
| Product Business                  | 8,953                  | 7,561 | 7,546 | 7,755 | 31,815    | 8,847                  | 8,262  | 8,604  |    |           |
| Services Business                 | 1,542                  | 1,683 | 1,497 | 1,470 | 6,192     | 1,440                  | 1,478  | 1,310  |    |           |
| BPO Business                      | 234                    | 201   | 334   | 273   | 1,042     | 279                    | 294    | 284    |    |           |
| Total                             | 10,729                 | 9,445 | 9,377 | 9,498 | 39,049    | 10,566                 | 10,034 | 10,198 |    |           |
| <b>Geographic Revenues</b>        |                        |       |       |       |           |                        |        |        |    |           |
| <b>Products Business</b>          |                        |       |       |       |           |                        |        |        |    |           |
| NAMER                             | 26%                    | 30%   | 28%   | 26%   | 28%       | 31%                    | 26%    | 28%    |    |           |
| JAPAC                             | 37%                    | 35%   | 36%   | 33%   | 35%       | 33%                    | 39%    | 34%    |    |           |
| EMEA                              | 37%                    | 36%   | 36%   | 40%   | 37%       | 36%                    | 36%    | 38%    |    |           |
| <b>Services Business</b>          |                        |       |       |       |           |                        |        |        |    |           |
| NAMER                             | 60%                    | 54%   | 59%   | 69%   | 61%       | 71%                    | 71%    | 73%    |    |           |
| JAPAC                             | 13%                    | 17%   | 14%   | 8%    | 13%       | 10%                    | 9%     | 8%     |    |           |
| EMEA                              | 27%                    | 29%   | 28%   | 23%   | 26%       | 19%                    | 20%    | 18%    |    |           |
| <b>Total Company</b>              |                        |       |       |       |           |                        |        |        |    |           |
| NAMER                             | 32%                    | 34%   | 34%   | 34%   | 34%       | 37%                    | 34%    | 35%    |    |           |
| JAPAC                             | 33%                    | 31%   | 32%   | 29%   | 31%       | 29%                    | 33%    | 30%    |    |           |
| EMEA                              | 36%                    | 34%   | 34%   | 37%   | 35%       | 33%                    | 33%    | 35%    |    |           |
| <b>Revenue Analysis by Type</b>   |                        |       |       |       |           |                        |        |        |    |           |
| <b>Product Revenues</b>           |                        |       |       |       |           |                        |        |        |    |           |
| License Fees                      | 20%                    | 7%    | 13%   | 16%   | 15%       | 18%                    | 13%    | 18%    |    |           |
| Professional Services             | 54%                    | 62%   | 57%   | 57%   | 57%       | 56%                    | 59%    | 54%    |    |           |
| Maintenance                       | 26%                    | 31%   | 30%   | 27%   | 29%       | 26%                    | 28%    | 28%    |    |           |
| <b>Services Revenues</b>          |                        |       |       |       |           |                        |        |        |    |           |
| Fixed Price                       | 25%                    | 22%   | 21%   | 22%   | 23%       | 21%                    | 19%    | 17%    |    |           |
| Time & Material Basis             | 75%                    | 78%   | 79%   | 78%   | 77%       | 79%                    | 81%    | 83%    |    |           |
| On-site                           | 36%                    | 48%   | 37%   | 39%   | 40%       | 37%                    | 37%    | 39%    |    |           |
| Off-shore                         | 64%                    | 52%   | 63%   | 61%   | 60%       | 63%                    | 63%    | 61%    |    |           |
| <b>Customer Concentration</b>     |                        |       |       |       |           |                        |        |        |    |           |
| <b>Product Customers</b>          |                        |       |       |       |           |                        |        |        |    |           |
| Top Customer                      | 13%                    | 16%   | 13%   | 15%   | 14%       | 12%                    | 13%    | 10%    |    |           |
| Top 5 Customers                   | 33%                    | 34%   | 32%   | 33%   | 32%       | 32%                    | 33%    | 34%    |    |           |
| Top 10 Customers                  | 43%                    | 41%   | 40%   | 43%   | 39%       | 41%                    | 43%    | 45%    |    |           |
| <b>Services Customers</b>         |                        |       |       |       |           |                        |        |        |    |           |
| Top Customer                      | 11%                    | 13%   | 13%   | 12%   | 12%       | 16%                    | 15%    | 15%    |    |           |
| Top 5 Customers                   | 43%                    | 42%   | 47%   | 45%   | 43%       | 50%                    | 51%    | 51%    |    |           |
| Top 10 Customers                  | 67%                    | 68%   | 70%   | 70%   | 67%       | 73%                    | 74%    | 74%    |    |           |
| <b>Total Company</b>              |                        |       |       |       |           |                        |        |        |    |           |
| Top Customer                      | 11%                    | 12%   | 10%   | 12%   | 11%       | 10%                    | 10%    | 9%     |    |           |
| Top 5 Customers                   | 30%                    | 31%   | 30%   | 30%   | 29%       | 30%                    | 30%    | 30%    |    |           |
| Top 10 Customers                  | 39%                    | 39%   | 38%   | 41%   | 37%       | 38%                    | 40%    | 40%    |    |           |
| <b>Trade Receivables</b>          |                        |       |       |       |           |                        |        |        |    |           |
| 0-180 days                        | 94%                    | 98%   | 96%   | 96%   | 96%       | 93%                    | 96%    | 95%    |    |           |
| More than 180 days                | 6%                     | 2%    | 4%    | 4%    | 4%        | 7%                     | 4%     | 5%     |    |           |
| DSO (Days)                        | 39                     | 68    | 63    | 51    | 51        | 46                     | 51     | 44     |    |           |
| <b>Attrition Rate (TTM)</b>       |                        |       |       |       |           |                        |        |        |    |           |
|                                   | 23%                    | 24%   | 23%   | 22%   | 22%       | 22%                    | 22%    | 22%    |    |           |
| <b>Staff Data *</b>               |                        |       |       |       |           |                        |        |        |    |           |
| Products Business                 | 5,794                  | 5,947 | 6,072 | 6,072 | 6,072     | 6,065                  | 6,248  | 6,143  |    |           |
| Services Business                 | 2,121                  | 2,036 | 1,998 | 1,925 | 1,925     | 1,821                  | 1,696  | 1,657  |    |           |
| BPO Business                      | 670                    | 701   | 705   | 676   | 676       | 667                    | 690    | 718    |    |           |
| Corporate                         | 269                    | 264   | 257   | 255   | 255       | 242                    | 242    | 236    |    |           |
| Total                             | 8,854                  | 8,948 | 9,032 | 8,928 | 8,928     | 8,795                  | 8,876  | 8,754  |    |           |

### **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 [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](http://www.oracle.com/financialservices).

### **About Oracle**

Oracle offers a comprehensive and fully integrated stack of cloud applications and platform services. For more information about Oracle (NYSE:ORCL), visit [oracle.com](http://oracle.com).

### **Trademark**

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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 10, 2016. Oracle Financial Services Software Limited undertakes no duty to update any statement in light of new information or future events.

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