



FOR IMMEDIATE RELEASE

**Oracle Financial Services Software Reports Q3 Fiscal Year 2017 Net Income of Rs. 319 Crore
up 21% Year-over-Year
Revenue for the Quarter at Rs. 1132 Crore up 11% Year-over-Year**

Mumbai, India, February 8, 2017: Oracle Financial Services Software Limited (Reuters: ORCL.BO and ORCL.NS), a majority owned subsidiary of Oracle, today announced results for the quarter ended December 31, 2016 under Ind AS. Net income was Rs. 319 Crore, up 21% compared to the quarter ended December 31, 2015 and up 9% compared the quarter ended September 30, 2016. Consolidated revenue for the quarter was Rs.1132 Crore, up 11% compared to quarter ended December 31, 2015 and up 6% over the quarter ended September 30, 2016. The operating income for the quarter was Rs. 420 Crore, up 7% compared to quarter ended December 31, 2015 and up 15% over the quarter ended September 30, 2016.

The product business posted revenue of Rs. 975 Crore up 13% compared to the quarter ended December 31, 2015 and the operating margin for the quarter was 43%. The professional services business posted revenue of Rs. 127 Crore down 4% compared to the quarter ended December 31, 2015 and the operating margin was 11%.

Chet Kamat, managing director and chief executive officer for Oracle Financial Services Software, said, “Our entire range of applications for financial services demonstrated strong license wins across the world. We signed licenses of US\$ 40 million registering 76% year-over-year growth in the quarter. We continue to witness an increased demand for our banking solutions around the globe, as banks are innovating their service offering across the existing customer segments as well as investing in regulatory compliance solutions.”

Makarand Padalkar, chief financial officer for Oracle Financial Services Software said “The strong growth in license fees has helped deliver a robust 37% operating margin for the quarter. For the nine months period ended December 31, 2016, we posted 16% increase in the Net Income compared to the nine months ended December 31, 2015.”

Business Highlights

- The Company signed new license deals of US \$40 million in the quarter.
- Newly signed customers for the quarter are deploying Oracle Financial Services applications for

their business in Australia, United States, Serbia, Thailand, Malta, Malaysia, India, Nigeria, UAE, France, Singapore, China, Sri Lanka and Afghanistan.

- 19 customers went live on Oracle Financial Services software during the quarter.
- Oracle Financial Services Analytical Applications was placed second and listed as Category Winner on the Chartis RiskTech100® rankings.
- Westpac is one of Australia's big four banks and services over 13 million customers. The bank recently signed an agreement to deploy Oracle Banking Platform along with several other Oracle applications and cloud services for their Customer Service Hub program.
- One of the largest U.S. wireless communications service provider has signed a license for Oracle Financial Services Lending and Leasing to provide handset loans and leases.
- Bank of Valetta (BoV) is a financial services company headquartered in Santa Venera, Malta. BoV plans to adopt Oracle FLEXCUBE on Oracle Technology as the cornerstone of a major multi-year IT transformation program.
- One of the four largest financial institutions in Australia is utilizing Oracle Banking Digital Experience after successful deployment of Oracle Banking Platform and Oracle Financial Services Analytics Applications.
- One of the largest commercial banks in Thailand with a network that exceeds 1,000 branches will be utilizing Oracle Financial Services Analytics Applications for IFRS 9 reporting, Capital Planning and Liquidity Risk.

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**Q3 FY 2016-17 : FINANCIAL RESULTS
CONSOLIDATED STATEMENTS OF OPERATIONS
(In INR Millions, except per share data)**

Particulars	Three Months Ended				% Increase (Decrease)
	Dec 31, 2016	% of Revenues	Dec 31, 2015	% of Revenues	
REVENUES					
Products	9,753	86%	8,643	84%	13%
Services	1,268	11%	1,316	13%	(4%)
BPO - Services	302	3%	286	3%	6%
Total Revenues	11,323	100%	10,245	100%	11%
SEGMENT RESULTS					
Products	4,191	43%	3,750	43%	12%
Services	142	11%	113	9%	26%
BPO - Services	115	38%	309	108%	(63%)
Total	4,448	39%	4,172	41%	7%
Unallocable expenses	(249)	(2%)	(259)	(3%)	(4%)
OPERATING INCOME	4,199	37%	3,913	38%	7%
Interest and other income, net	644	6%	248	2%	159%
INCOME BEFORE PROVISION OF TAXES	4,843	44%	4,161	41%	16%
Provision for taxes	1,650	15%	1,515	15%	9%
NET INCOME	3,193	28%	2,646	26%	21%
Earnings per share of Rs 5/- each (in Rs)					
Basic	37.63		31.21		21%
Diluted	37.52		30.98		21%

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**FY 2016-17 YEAR TO DATE : FINANCIAL RESULTS
CONSOLIDATED STATEMENTS OF OPERATIONS
(In INR Millions, except per share data)**

Particulars	Nine Months Ended				% Increase (Decrease)
	Dec 31, 2016	% of Revenues	Dec 31, 2015	% of Revenues	
REVENUES					
Products	28,701	85%	25,564	83%	12%
Services	4,129	12%	4,241	14%	(3%)
BPO - Services	917	3%	865	3%	6%
Total Revenues	33,747	100%	30,670	100%	10%
SEGMENT RESULTS					
Products	12,374	43%	11,596	45%	7%
Services	503	12%	554	13%	(9%)
BPO - Services	327	36%	86	10%	282%
Total	13,204	39%	12,236	40%	8%
Unallocable expenses	(795)	(2%)	(738)	(2%)	8%
OPERATING INCOME	12,409	37%	11,498	38%	8%
Interest and other income, net	1,461	4%	1,648	5%	(11%)
INCOME BEFORE PROVISION OF TAXES	13,870	41%	13,146	43%	6%
Provision for taxes	4,296	13%	4,900	16%	(12%)
NET INCOME	9,574	28%	8,246	27%	16%
Earnings per share of Rs 5/- each (in Rs)					
Basic	112.91		97.36		16%
Diluted	112.56		96.64		16%

Oracle Financial Services Software Limited
Q3 FY 2016-17 Financial Results
SUPPLEMENTAL OPERATING MATRICES

	Financial Year 2015-16					Financial Year 2016-17				
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year
Segmental Revenue (INR Mn)										
Product Business	8,758	8,163	8,643	9,116	34,680	9,982	8,966	9,753		
Services Business	1,443	1,482	1,316	1,235	5,476	1,497	1,364	1,268		
BPO Business	282	296	287	291	1,156	292	323	302		
Total	10,483	9,941	10,245	10,642	41,312	11,771	10,653	11,323		
Geographic Revenues										
Products Business										
NAMER	31%	26%	28%	33%	29%	29%	28%	36%		
JAPAC	33%	39%	34%	33%	34%	36%	36%	31%		
EMEA	36%	36%	38%	35%	36%	35%	37%	34%		
Services Business										
NAMER	71%	71%	73%	74%	72%	68%	73%	75%		
JAPAC	10%	9%	8%	7%	9%	7%	7%	7%		
EMEA	19%	20%	18%	19%	19%	25%	20%	18%		
Total Company										
NAMER	37%	34%	35%	39%	36%	35%	35%	41%		
JAPAC	29%	33%	30%	29%	30%	32%	31%	27%		
EMEA	33%	33%	35%	32%	34%	34%	34%	31%		
Revenue Analysis by Type										
Product Revenues										
License Fees	18%	13%	18%	14%	16%	20%	9%	20%		
Professional Services	56%	59%	54%	58%	57%	52%	60%	51%		
Maintenance	26%	28%	28%	28%	27%	28%	32%	29%		
Services Revenues										
Fixed Price	21%	19%	17%	17%	19%	17%	20%	27%		
Time & Material Basis	79%	81%	83%	83%	81%	83%	80%	73%		
On-site	37%	37%	39%	35%	37%	40%	38%	38%		
Off-shore	63%	63%	61%	65%	63%	60%	62%	62%		
Customer Concentration										
Product Customers										
Top Customer	12%	13%	10%	14%	11%	11%	9%	17%		
Top 5 Customers	32%	33%	34%	36%	32%	36%	33%	36%		
Top 10 Customers	41%	43%	45%	47%	42%	48%	42%	44%		
Services Customers										
Top Customer	16%	15%	15%	15%	15%	13%	14%	14%		
Top 5 Customers	50%	51%	51%	54%	50%	50%	52%	53%		
Top 10 Customers	73%	74%	74%	76%	73%	77%	75%	77%		
Total Company										
Top Customer	10%	10%	9%	12%	9%	9%	8%	15%		
Top 5 Customers	30%	30%	30%	32%	29%	31%	29%	32%		
Top 10 Customers	38%	40%	40%	43%	39%	43%	38%	42%		
Trade Receivables										
0-180 days	92%	96%	95%	92%	92%	93%	84%	77%		
More than 180 days	8%	4%	5%	8%	8%	7%	16%	23%		
DSO (Days)	45	51	44	68	68	67	67	51		
Attrition Rate (TTM)	22%	22%	22%	22%	22%	22%	20%	19%		
Staff Data *										
Products Business	6,065	6,248	6,143	6,150	6,150	6,166	6,438	6,359		
Services Business	1,821	1,696	1,657	1,645	1,645	1,581	1,548	1,556		
BPO Business	667	690	718	708	708	698	723	740		
Corporate	242	242	236	230	230	226	223	217		
Total	8,795	8,876	8,754	8,733	8,733	8,671	8,932	8,872		

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.

About Oracle

Oracle engineers hardware and software to work together in the cloud and in your data center. For more information about Oracle (NYSE:ORCL), visit oracle.com.

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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 8, 2017. Oracle Financial Services Software Limited undertakes no duty to update any statement in light of new information or future events.

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