



FOR IMMEDIATE RELEASE

Oracle Financial Services Software Reports Q1 Fiscal Year 2020 Net Income of Rs. 377 Crore, up 16% Quarter over Quarter and down 6% Year over Year; Revenue for the Quarter at Rs. 1,275 Crore, up 5% Quarter over Quarter and down 5% Year over Year

Mumbai, India, August 7, 2019: Oracle Financial Services Software Limited (Reuters: ORCL.BO and ORCL.NS), a majority owned subsidiary of Oracle, today announced results for the quarter ended June 30, 2019. On a consolidated basis, Net income for the quarter was Rs. 377 Crore, down 6% compared to the quarter ended June 30, 2018 and up 16% compared to quarter ended March 31, 2019. Revenue for the quarter was Rs. 1,275 Crore, down 5% as compared to quarter ended June 30, 2018 and up 5% compared to quarter ended March 31, 2019. The operating income for the quarter was Rs. 590 Crore, down 4% compared to the quarter ended June 30, 2018 and up 17% compared to quarter ended March 31, 2019.

For the quarter ended June 30, 2019, the Products business posted revenue of Rs. 1,135 Crore, down 5% year-over-year; and the Operating Margin was Rs. 582 Crore, down 8% year-over-year. For the same period, the Services business posted revenue of Rs. 112 Crore, down 6% year-over-year; and the Operating Margin of Rs. 29 Crore, up 570% year-over-year.

Chet Kamat, Managing Director and Chief Executive Officer, Oracle Financial Services Software said, “We maintained a strong winning momentum to sign licenses of \$29 million. Our product capability offers customers multiple deployment choices thereby giving them the competitive edge”.

Makarand Padalkar, Executive Director and Chief Financial Officer, Oracle Financial Services Software said, “We posted strong operating performance this quarter; the operating margins stood at 46%. All other operating parameters continue to be healthy”.

Business Highlights

- The Company signed license deals of US\$ 29 million during this quarter with customers in 35 countries.
- Cooperativa de Ahorro y Crédito de la Comunidad de Ciudad Quesada RL (COOCIQUE), a credit and savings cooperative for micro and small entrepreneurs and farmers in northern Costa Rica, has signed a deal for Oracle FLEXCUBE Universal Banking, Oracle Banking Digital Experience, Oracle Banking Payments and Oracle FLEXCUBE Enterprise Limits and Collateral Management.

- A leading Slovakian bank has chosen to implement Oracle FLEXCUBE Universal Banking, Oracle Banking Payments, Oracle Banking Liquidity Management and Oracle FLEXCUBE Enterprise Limits and Collateral Management.
- A prominent commercial bank in Azerbaijan has chosen to implement Oracle FLEXCUBE Universal Banking and Oracle FLEXCUBE Enterprise Limits and Collateral Management.
- A leading bank from Malta has extended its relationship with Oracle by choosing to implement Oracle Financial Services Analytical Applications.
- A leading Canadian bank has extended its relationship with Oracle by signing a deal for Oracle Financial Services Analytical Applications.
- A Scheduled co-operative bank in India has chosen to implement Oracle's end to end banking solution set comprising of Oracle FLEXCUBE Universal Banking, Oracle FLEXCUBE Core, Oracle Banking Payments, Oracle Banking Digital Experience and Oracle Banking APIs
- A leading Indian bank has upgraded to the latest digital banking technology by signing a deal for Oracle Banking Digital Experience and Oracle Banking APIs, extending its longstanding relationship with Oracle.
- A prominent African bank, offering services in multiple countries, has chosen to extend their relationship with Oracle by signing a deal for Oracle Banking Digital Experience, Oracle Banking APIs, Oracle FLEXCUBE Universal Banking, Oracle Banking Payments, Oracle Banking Corporate Lending, Oracle Banking Credit Facilities Process Management, Oracle Banking Trade Finance Process Management and Oracle Banking Corporate Lending Process Management.
- A top Australian bank has extended its relationship with Oracle by signing a deal for Oracle Banking Platform.
- A leading Laos PDR lending company has signed a deal for Oracle FLEXCUBE Universal Banking.
- A reputed Japanese bank has extended its relationship with Oracle by signing a deal for Oracle FLEXCUBE Universal Banking and Oracle Banking Liquidity Management.

ORACLE FINANCIAL SERVICES SOFTWARE GROUP

**Q1 FY 2019-20 : FINANCIAL RESULTS
CONSOLIDATED STATEMENTS OF OPERATIONS
(In INR Million, except per share data)**

Particulars	Three Months Ended				% Increase (Decrease)
	Jun 30, 2019	% of Revenues	Jun 30, 2018	% of Revenues	
REVENUES					
Products	11,353	89%	11,970	89%	(5%)
Services	1,117	9%	1,190	9%	(6%)
BPO - Services	281	2%	289	2%	(3%)
Total Revenues	12,751	100%	13,449	100%	(5%)
SEGMENT RESULTS					
Products	5,821	51%	6,319	53%	(8%)
Services	286	26%	43	4%	570%
BPO - Services	87	31%	85	29%	2%
Total	6,194	49%	6,447	48%	(4%)
Unallocable expenses	(298)	(3%)	(333)	(3%)	(11%)
OPERATING INCOME	5,896	46%	6,114	45%	(4%)
Interest and other income, net	320	3%	481	4%	(33%)
INCOME BEFORE PROVISION OF TAXES	6,216	49%	6,595	49%	(6%)
Provision for taxes	2,442	19%	2,576	19%	(5%)
NET INCOME	3,774	30%	4,019	30%	(6%)
Earnings per share of Rs 5/- each (in Rs)					
Basic	44.00		47.07		(7%)
Diluted	43.81		46.79		(6%)

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Particulars	Three Months Ended				% Increase (Decrease)
	Jun 30, 2019	% of Revenues	Mar 31, 2019	% of Revenues	
REVENUES					
Products	11,353	89%	10,595	87%	7%
Services	1,117	9%	1,278	11%	(13%)
BPO - Services	281	2%	276	2%	2%
Total Revenues	12,751	100%	12,149	100%	5%
SEGMENT RESULTS					
Products	5,821	51%	5,180	49%	12%
Services	286	26%	347	27%	(18%)
BPO - Services	87	31%	73	26%	19%
Total	6,194	49%	5,600	46%	11%
Unallocable expenses	(298)	(3%)	(544)	(4%)	(45%)
OPERATING INCOME	5,896	46%	5,056	42%	17%
Interest and other income, net	320	3%	613	5%	(48%)
INCOME BEFORE PROVISION OF TAXES	6,216	49%	5,669	47%	10%
Provision for taxes	2,442	19%	2,409	20%	1%
NET INCOME	3,774	30%	3,260	27%	16%
Earnings per share of Rs 5/- each (in Rs)					
Basic	44.00		38.03		16%
Diluted	43.81		37.86		16%

Oracle Financial Services Software Limited
Q1 FY 2019-20 Financial Results
SUPPLEMENTAL OPERATING MATRICES

	Financial Year 2018-19					Financial Year 2019-20				
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year
Geographic Revenues										
Products Business										
India	7%	5%	6%	6%	6%	6%				
Outside India										
Americas										
United States of America	20%	23%	22%	25%	22%	20%				
Rest of America	7%	8%	7%	6%	7%	6%				
Europe	14%	15%	17%	15%	16%	16%				
Asia Pacific	29%	29%	27%	29%	28%	27%				
Middle East and Africa	23%	20%	21%	19%	21%	25%				
Services Business (incl. BPO Services)										
India	2%	0%	1%	0%	1%	0%				
Outside India										
Americas										
United States of America	61%	67%	70%	71%	67%	73%				
Rest of America	3%	2%	2%	1%	2%	1%				
Europe	21%	19%	14%	17%	18%	13%				
Asia Pacific	9%	9%	9%	7%	8%	8%				
Middle East and Africa	4%	3%	4%	4%	4%	5%				
Total Company										
India	7%	5%	6%	5%	6%	5%				
Outside India										
Americas										
United States of America	25%	28%	28%	31%	28%	26%				
Rest of America	6%	7%	6%	6%	5%	6%				
Europe	15%	16%	16%	15%	16%	16%				
Asia Pacific	26%	26%	25%	26%	26%	25%				
Middle East and Africa	21%	18%	19%	17%	19%	22%				
Revenue Analysis										
Products Business										
License Fees	17%	10%	10%	13%	12%	19%				
Maintenance Fees	28%	33%	32%	30%	31%	29%				
Consulting fees										
Fixed Price	30%	31%	32%	31%	31%	28%				
Time & Material Basis	25%	26%	26%	26%	26%	24%				
Services Business (incl. BPO Services)										
Fixed Price	29%	22%	25%	27%	25%	24%				
Time & Material Basis	71%	78%	75%	73%	75%	76%				
Trade Receivables										
0-180 days	93%	94%	91%	88%	88%	92%				
More than 180 days	7%	6%	9%	12%	12%	8%				
DSO (Days)	58	71	63	63	63	68				
Attrition Rate (TTM)										
	17%	17%	18%	20%	20%	22%				
Staff Data										
Products Business	6,330	6,490	6,339	6,135	6,135	5,998				
Services Business	1,278	1,219	1,182	1,080	1,080	946				
BPO Business	669	672	654	633	633	635				
Corporate	209	208	208	206	206	195				
Total	8,486	8,589	8,383	8,054	8,054	7,774				

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

The Oracle Cloud offers a complete suite of integrated applications for Sales, Service, Marketing, Human Resources, Finance, Supply Chain and Manufacturing, plus Highly-Automated and Secure Generation 2 Infrastructure featuring the Oracle Autonomous Database. For more information about Oracle (NYSE: ORCL), please visit us at 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 August 7, 2019. Oracle Financial Services Software Limited undertakes no duty to update any statement in light of new information or future events.

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