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FOR IMMEDIATE RELEASE

Oracle Financial Services Software Reports Q1 Fiscal Year 2021
Net Income of Rs. 480 Crore Up 27% YoY;
Revenue for the Quarter at Rs. 1,337 Crore, up 5% YoY

Mumbai, India, August 11, 2020: 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, 2020. Net income for the quarter was Rs. 480 Crore, up 27% year over year. Revenue for the quarter was Rs. 1,337 Crore, up 5% year over year. The operating income for the quarter was Rs. 659 Crore, up 12% year over year.

For the three months ended June 30, 2020, the Products business posted revenue of Rs. 1,192 Crore, up 5% year over year, and operating income of Rs. 665 Crore, up 14% year over year. For the same period, the Services business posted revenue of Rs. 115 Crore, up 3% year over year, and the Operating income of Rs. 24 Crore down 17% year-over-year.

“We posted an all-round healthy quarter with net income growth of 27% year over year and revenue growth of 5% year over year. The license signings for the quarter stood at $29.5 million, spanning our entire portfolio and across diverse banks in 32 countries,” said Chet Kamat, Managing Director and Chief Executive Officer**,** Oracle Financial Services Software. “While the impact of the COVID-19 pandemic on the broader global economy has been swift, dramatic and unpredictable, Oracle’s products remain critical to the business operations of our customers in the financial services industry, which being part of essential services, continue to operate with strong support from Oracle Financial Services Software,” he added.

“While the COVID-19 pandemic has resulted in a challenging and uncertain environment, our value proposition remains very relevant, and even more so when the economic recovery begins. Our strong performance this quarter is a testimony to this, and we will continue to actively monitor the situation and respond in the best interests of our employees, customers, partners, suppliers and stockholders,” said Makarand Padalkar, Executive Director and Chief Financial Officer, Oracle Financial Services Software. “In the midst of the crisis, we delivered a solid performance on all operating parameters. Both, the operating margins of 49% and net margins of 36%, were at the highest levels seen in recent times and amongst the best in the industry."

Business Highlights

- The Company signed license deals of $29.5 million during this quarter with customers in 32 countries.
- 22 customers went live on Oracle Financial Services Software products during the quarter.
- A leading American bank signed a deal for Oracle Financial Services Analytical Applications.
- An established bank in Canada upgraded its existing Oracle banking technology to the latest offerings from Oracle across core banking, payments, trade finance, liquidity, corporate lending, limits and collateral management.
- A leading Japanese bank extended its relationship with Oracle by signing a deal for Oracle FLEXCUBE Universal Banking.
- The technology arm of a leading bank with operations in Europe and America extended its relationship with Oracle by signing a deal for Oracle Financial Services Analytical Applications.
- A leading Dutch bank extended its relationship with Oracle by signing a deal for Oracle Financial Services Analytical Applications.
- Heartland Bank, a proud Kiwi establishment founded in 1875, services more than 46000 depositors. The bank's commitment to providing their depositors the best mix of personal and digital banking has led them to further their technology collaboration with Oracle by choosing to implement Oracle Banking APIs, Oracle FLEXCUBE Universal Banking, Oracle Banking Payments, Oracle Banking Enterprise Limits Management and Oracle Banking Enterprise Collateral Management.
- A Canada-based bank has chosen to extend its relationship with Oracle by signing a deal for Oracle Financial Services Analytical Applications.

- Paymentworld GmbH headquartered in Kiel, Germany, a part of the Financial Transaction Processing Industry, signed a deal for Oracle FLEXCUBE Universal Banking, Oracle Banking Digital Experience, Oracle Banking APIs and Oracle Banking Payments.

- A leading Indian Bank has furthered its faith in Oracle technology by choosing to implement Oracle FLEXCUBE Universal Banking, Oracle FLEXCUBE Core, Oracle Banking Digital Experience and Oracle Banking APIs.

- A leading Bank in Ghana has renewed its relationship with Oracle by signing a deal for Oracle FLEXCUBE Universal Banking, Oracle Banking Digital Experience, Oracle Bankings APIs, Oracle Banking Payments, Oracle Banking Corporate Lending, Oracle Banking Virtual Accounts Management, Oracle Banking Enterprise Limits Management, Oracle Banking Enterprise Collateral Management, Oracle Banking Trade Finance and Oracle Banking Treasury Management.

- A top UAE based bank has extended its relationship by signing a deal for Oracle Banking Digital Experience, Oracle Banking APIs, Oracle Banking Payments, Oracle Banking Liquidity Management, Oracle Banking Trade Finance and Oracle Banking Virtual Accounts Management.

- An award-winning bank in India has reiterated its trust in Oracle technology by signing a deal for Oracle Financial Services Analytical Applications.

- A top Nigerian commercial bank expanded its relationship with Oracle by signing a deal for Oracle FLEXCUBE Universal Banking, Oracle Banking Payments and Oracle Enterprise Limits and Collateral Management.

- A large Saudi Arabian bank extended its relationship with Oracle by signing a deal for Oracle Financial Services Analytical Applications.

- A leading Egyptian bank extended its technology collaboration with Oracle by signing a deal for Oracle Banking Digital Experience.

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Q1 FY 2020-21 : FINANCIAL RESULTS
CONSOLIDATED STATEMENTS OF OPERATIONS
(In INR Million, except per share data)

Particulars	Three Months Ended				% Increase (Decrease)
	Jun 30, 2020	% of Revenues	Jun 30, 2019	% of Revenues	
REVENUES					
Products	11,922	89%	11,353	89%	5%
Services	1,147	9%	1,117	9%	3%
BPO - Services	304	2%	281	2%	8%
Total Revenues	**13,373**	**100%**	**12,751**	**100%**	5%
SEGMENT RESULTS					
Products	6,647	56%	5,821	51%	14%
Services	237	21%	286	26%	(17%)
BPO - Services	106	35%	87	31%	22%
Total	**6,990**	**52%**	**6,194**	**49%**	13%
Unallocable expenses	(398)	(3%)	(298)	(3%)	34%
OPERATING INCOME	**6,592**	**49%**	**5,896**	**46%**	12%
Interest and other income, net	478	4%	320	3%	49%
INCOME BEFORE PROVISION OF TAXES	**7,070**	**53%**	**6,216**	**49%**	14%
Provision for taxes	2,272	17%	2,442	19%	(7%)
NET INCOME	**4,798**	**36%**	**3,774**	**30%**	27%
Earnings per share of Rs 5/- each (in Rs)					
Basic	55.84		44.00		27%
Diluted	55.65		43.81		27%

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Q1 FY 2020-21 : FINANCIAL RESULTS
CONSOLIDATED STATEMENTS OF OPERATIONS
(In INR Million, except per share data)

Particulars	Three Months Ended				%
	Jun 30, 2020	**% of Revenues**	**Mar 31, 2020**	**% of Revenues**	**Increase (Decrease)**
REVENUES					
Products	11,922	89%	11,317	89%	5%
Services	1,147	9%	1,015	8%	13%
BPO - Services	304	2%	304	2%	0%
Total Revenues	**13,373**	**100%**	**12,636**	**100%**	6%
SEGMENT RESULTS					
Products	6,647	56%	5,719	51%	16%
Services	237	21%	161	16%	48%
BPO - Services	106	35%	86	28%	23%
Total	**6,990**	**52%**	**5,966**	**47%**	17%
Unallocable expenses	(398)	(3%)	(983)	(8%)	(60%)
OPERATING INCOME	**6,592**	**49%**	**4,983**	**39%**	32%
Interest and other income, net	478	4%	371	3%	29%
INCOME BEFORE PROVISION OF TAXES	**7,070**	**53%**	**5,354**	**42%**	32%
Provision for taxes	2,272	17%	2,662	21%	(15%)
NET INCOME	**4,798**	**36%**	**2,692**	**21%**	78%
Earnings per share of Rs 5/- each (in Rs)					
Basic	55.84		31.36		78%
Diluted	55.65		31.24		78%

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Q1 FY 2020-21 Financial Results
SUPPLEMENTAL OPERATING MATRICES

	Financial Year 2019-20					Financial Year 2020-21				
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year
Geographic Revenues										
Products Business										
India	6%	7%	7%	7%	**7%**	8%				
Outside India										
Americas										
United States of America	20%	21%	21%	22%	**21%**	20%				
Rest of America	6%	9%	8%	6%	**7%**	9%				
Europe	16%	16%	17%	18%	**17%**	16%				
Asia Pacific	27%	27%	27%	30%	**28%**	28%				
Middle East and Africa	25%	20%	20%	17%	**21%**	19%				
Services Business (incl. BPO Services)										
India	0%	1%	1%	0%	**1%**	1%				
Outside India										
Americas										
United States of America	74%	70%	73%	72%	**72%**	72%				
Rest of America	1%	1%	1%	1%	**1%**	1%				
Europe	13%	16%	12%	15%	**14%**	15%				
Asia Pacific	8%	8%	11%	9%	**9%**	7%				
Middle East and Africa	5%	4%	2%	3%	**3%**	4%				
Total Company										
India	5%	6%	6%	6%	**6%**	7%				
Outside India										
Americas										
United States of America	26%	27%	27%	27%	**27%**	25%				
Rest of America	6%	8%	7%	6%	**7%**	8%				
Europe	16%	16%	16%	17%	**16%**	16%				
Asia Pacific	25%	25%	26%	28%	**26%**	26%				
Middle East and Africa	22%	18%	18%	16%	**19%**	18%				
Revenue Analysis										
Products Business										
License Fees	19%	9%	8%	15%	**13%**	19%				
Maintenance Fees	29%	34%	35%	32%	**32%**	32%				
Consulting fees										
Fixed Price	28%	29%	29%	30%	**29%**	26%				
Time & Material Basis	24%	28%	28%	23%	**26%**	23%				
Services Business (incl. BPO Services)										
Fixed Price	24%	27%	24%	24%	**25%**	28%				
Time & Material Basis	76%	73%	76%	76%	**75%**	72%				
Trade Receivables										
0-180 days	92%	91%	92%	93%	**93%**	97%				
More than 180 days	8%	9%	8%	7%	**7%**	3%				
DSO (Days)	68	62	65	63	**63**	64				
Attrition Rate (TTM)	22%	22%	22%	21%	**21%**	17%				
Staff Data										
Products Business	5,998	6,119	6,122	6,188	**6,188**	6,185				
Services Business	946	957	954	958	**958**	953				
BPO Business	635	653	654	664	**664**	651				
Corporate	195	188	189	191	**191**	193				
Total	7,774	7,917	7,919	8,001	**8,001**	7,982				

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About Oracle Financial Services Software Limited

Oracle Financial Services Software Limited (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 Oracle Cloud Infrastructure featuring the Oracle Autonomous Database. For more information about Oracle (NYSE: ORCL), please visit us at www.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 11, 2020. Oracle Financial Services Software Limited undertakes no duty to update any statement in light of new information or future events.

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