



## FOR IMMEDIATE RELEASE

### **Oracle Financial Services Software Reports Q2 Fiscal Year 2020 Net Income of Rs. 359 Crore, up 2% Year over Year Revenue for the Quarter at Rs. 1,163 Crore, down 4% Year over Year**

Mumbai, India, November 13, 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 September 30, 2019. On a consolidated basis, Net income for the quarter was Rs. 359 Crore, up 2% compared to the quarter ended September 30, 2018. Revenue for the quarter was Rs. 1,163 Crore, down 4% as compared to quarter ended September 30, 2018. The operating income for the quarter was Rs. 490 Crore, up 1% compared to the quarter ended September 30, 2018.

For the quarter ended September 30, 2019, the Products business posted revenue of Rs. 1,020 Crore, down 3% year-over-year, and the Operating Margin was 48%, up 1 percentage point as compared to corresponding quarter of last fiscal year. For the same period, the Services business posted revenue of Rs. 113 Crore, up 5 percentage points as compared to corresponding quarter of last fiscal year.

Chet Kamat, Managing Director and Chief Executive Officer, Oracle Financial Services Software said, “We delivered an overall balanced performance for the quarter and half-year. While license signings of US\$ 12 million exhibited a typical seasonal Q2 dip, we continue to work on a strong deal pipeline. We also continue to invest in strengthening our solutions portfolio to help financial institutions transition smoothly in their transformation initiatives to deal with digital disruption and regulatory demands.”

Makarand Padalkar, Executive Director and Chief Financial Officer, Oracle Financial Services Software said, “Our execution capabilities continued to deliver strong operating margins expanding across all our business lines. Year-over-Year Product business margins went up from 47% to 48%, Services business margins grew from 12% to 17% and BPO business margins increased from 27% to 33%.”

#### **Business Highlights**

- The Company signed license deals of US\$ 12 million during this quarter.
- 23 customers went live on Oracle Financial Services software products during the quarter.

- A new banking entity in Malawi, MyBucks Banking Corporation has invested in the latest banking technology by signing a deal for Oracle FLEXCUBE Universal Banking and Oracle Banking Digital Experience.
- Headquartered in Nigeria, Access Bank Plc, a leading full service commercial bank, which also has one of Africa's largest retail banking customer base, has extended its relationship with Oracle by signing a deal for Oracle FLEXCUBE Universal Banking. The bank has a presence across three continents, 12 countries and services 31 million customers.
- A top bank in Ghana has signed a deal for Oracle FLEXCUBE Universal Banking, Oracle Banking Digital Experience, Oracle Banking Payments, Corporate Lending, Credit Facilities Process Management and Oracle FLEXCUBE Enterprise Limits and Collateral Management.
- Established in 1927, Dhanlaxmi Bank Ltd. provides more than 628 touch points across India for its retail, corporate, SME, Micro & Agri and Diaspora banking customers. The bank has extended its relationship with Oracle by choosing to implement Oracle FLEXCUBE Core, Oracle Banking Payments and 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 bank in the Cayman Islands has extended its relationship with Oracle by signing a deal for Oracle FLEXCUBE Universal Banking, Oracle Banking Digital Experience, Oracle Banking Payments, Oracle Banking Trade Finance Process Management, Oracle Banking Credit Facilities Process Management, Oracle Banking Corporate Lending Process Management, Oracle Banking Liquidity Management and Oracle FLEXCUBE Enterprise Limits and Collateral Management.
- A mid-sized new bank in Lao PDR has chosen to implement Oracle FLEXCUBE Universal Banking, Oracle Banking Payments and Oracle FLEXCUBE Enterprise Limits and Collateral Management.
- A leading private commercial bank in Bangladesh bank has increased investment in the latest banking technology by signing a deal for Oracle FLEXCUBE Universal Banking, Oracle Banking Digital Experience, Oracle Banking Payments, Corporate Lending, Liquidity Management, Trade Finance and Credit Facilities Process Management as well as Oracle FLEXCUBE Enterprise Limits and Collateral Management.

- A Djibouti-based bank signed a deal to implement Oracle FLEXCUBE Universal Banking, Oracle Banking Digital Experience, Oracle Banking Payments, Oracle Banking Trade Finance, Oracle Banking Credit Facilities Process Management and Oracle Financial Services Analytical Applications.
- A leading Korean bank which provides a variety of banking services to mid-sized enterprises has signed a deal for Oracle Financial Services Analytical Applications.
- A North African-based Central Bank has chosen to implement Oracle FLEXCUBE Universal Banking, Oracle Banking Payments, Oracle Banking Corporate Lending and Oracle FLEXCUBE Enterprise Limits and Collateral Management.
- A widely recognized Filipino bank has furthered its trust in Oracle solutions by signing a deal for Oracle Financial Services Analytical Applications.
- A leading bank from Equatorial Guinea has signed a deal for Oracle Financial Services Lending and Leasing.

**ORACLE FINANCIAL SERVICES SOFTWARE GROUP**

**Q2 FY 2019-20 : FINANCIAL RESULTS  
CONSOLIDATED STATEMENTS OF OPERATIONS  
(In INR Million, except per share data)**

Particulars	Three Months Ended				% Increase (Decrease)
	Sep 30, 2019	% of Revenues	Sep 30, 2018	% of Revenues	
<b>REVENUES</b>					
Products	10,198	88%	10,568	87%	(3%)
Services	1,131	10%	1,287	11%	(12%)
BPO - Services	296	2%	278	2%	6%
<b>Total Revenues</b>	<b>11,625</b>	<b>100%</b>	<b>12,133</b>	<b>100%</b>	<b>(4%)</b>
<b>SEGMENT RESULTS</b>					
Products	4,884	48%	4,980	47%	(2%)
Services	198	17%	155	12%	28%
BPO - Services	97	33%	76	27%	28%
<b>Total</b>	<b>5,179</b>	<b>45%</b>	<b>5,211</b>	<b>43%</b>	<b>(1%)</b>
Unallocable expenses	(277)	(3%)	(348)	(3%)	(20%)
<b>OPERATING INCOME</b>	<b>4,902</b>	<b>42%</b>	<b>4,863</b>	<b>40%</b>	<b>1%</b>
Interest and other income, net	461	4%	496	4%	(7%)
<b>INCOME BEFORE PROVISION OF TAXES</b>	<b>5,363</b>	<b>46%</b>	<b>5,359</b>	<b>44%</b>	<b>0%</b>
Provision for taxes	1,775	15%	1,839	15%	(3%)
<b>NET INCOME</b>	<b>3,588</b>	<b>31%</b>	<b>3,520</b>	<b>29%</b>	<b>2%</b>
Earnings per share of Rs 5/- each (in Rs)					
Basic	41.82		41.15		2%
Diluted	41.65		40.93		2%

**ORACLE FINANCIAL SERVICES SOFTWARE GROUP**

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

Particulars	Six Months Ended				% Increase (Decrease)
	Sep 30, 2019	% of Revenues	Sep 30, 2018	% of Revenues	
<b>REVENUES</b>					
Products	21,552	88%	22,538	88%	(4%)
Services	2,248	9%	2,477	10%	(9%)
BPO - Services	576	3%	567	2%	2%
<b>Total Revenues</b>	<b>24,376</b>	<b>100%</b>	<b>25,582</b>	<b>100%</b>	(5%)
<b>SEGMENT RESULTS</b>					
Products	10,705	50%	11,299	50%	(5%)
Services	484	22%	197	8%	146%
BPO - Services	184	32%	161	28%	14%
<b>Total</b>	<b>11,373</b>	<b>46%</b>	<b>11,657</b>	<b>45%</b>	(2%)
Unallocable expenses	(575)	(2%)	(681)	(2%)	(16%)
<b>OPERATING INCOME</b>	<b>10,798</b>	<b>44%</b>	<b>10,976</b>	<b>43%</b>	(2%)
Interest and other income, net	782	3%	978	4%	(20%)
<b>INCOME BEFORE PROVISION OF TAXES</b>	<b>11,579</b>	<b>47%</b>	<b>11,954</b>	<b>47%</b>	(3%)
Provision for taxes	4,217	17%	4,415	18%	(4%)
<b>NET INCOME</b>	<b>7,362</b>	<b>30%</b>	<b>7,539</b>	<b>29%</b>	(2%)
Earnings per share of Rs 5/- each (in Rs)					
Basic	85.82		88.22		(3%)
Diluted	85.45		87.71		(3%)

**Oracle Financial Services Software Limited**  
**Q2 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
<b><u>Geographic Revenues</u></b>										
<b>Products Business</b>										
India	7%	5%	6%	6%	<b>6%</b>	6%	7%			
Outside India										
Americas										
United States of America	20%	23%	22%	25%	<b>22%</b>	20%	21%			
Rest of America	7%	8%	7%	6%	<b>7%</b>	6%	9%			
Europe	14%	15%	17%	15%	<b>16%</b>	16%	16%			
Asia Pacific	29%	29%	27%	29%	<b>28%</b>	27%	27%			
Middle East and Africa	23%	20%	21%	19%	<b>21%</b>	25%	20%			
<b>Services Business (incl. BPO Services)</b>										
India	2%	0%	1%	0%	<b>1%</b>	0%	1%			
Outside India										
Americas										
United States of America	61%	67%	70%	71%	<b>68%</b>	74%	70%			
Rest of America	3%	2%	2%	1%	<b>2%</b>	1%	1%			
Europe	21%	19%	14%	17%	<b>18%</b>	13%	16%			
Asia Pacific	9%	9%	9%	7%	<b>8%</b>	8%	8%			
Middle East and Africa	4%	3%	4%	4%	<b>4%</b>	5%	4%			
<b>Total Company</b>										
India	7%	5%	6%	5%	<b>6%</b>	5%	6%			
Outside India										
Americas										
United States of America	25%	28%	28%	31%	<b>28%</b>	26%	27%			
Rest of America	6%	7%	6%	6%	<b>6%</b>	6%	8%			
Europe	15%	16%	16%	15%	<b>16%</b>	16%	16%			
Asia Pacific	26%	26%	25%	26%	<b>26%</b>	25%	25%			
Middle East and Africa	21%	18%	19%	17%	<b>19%</b>	22%	18%			
<b><u>Revenue Analysis</u></b>										
<b>Products Business</b>										
License Fees	17%	10%	10%	13%	<b>12%</b>	19%	9%			
Maintenance Fees	28%	33%	32%	30%	<b>31%</b>	29%	34%			
Consulting fees										
Fixed Price	30%	31%	32%	31%	<b>31%</b>	28%	29%			
Time & Material Basis	25%	26%	26%	26%	<b>26%</b>	24%	28%			
<b>Services Business (incl. BPO Services)</b>										
Fixed Price	29%	22%	25%	27%	<b>25%</b>	24%	27%			
Time & Material Basis	71%	78%	75%	73%	<b>75%</b>	76%	73%			
<b><u>Trade Receivables</u></b>										
0-180 days	93%	94%	91%	88%	<b>88%</b>	92%	91%			
More than 180 days	7%	6%	9%	12%	<b>12%</b>	8%	9%			
DSO (Days)	58	71	63	63	<b>63</b>	68	62			
<b><u>Attrition Rate (TTM)</u></b>										
	17%	17%	18%	20%	<b>20%</b>	22%	22%			
<b><u>Staff Data</u></b>										
Products Business	6,330	6,490	6,339	6,135	<b>6,135</b>	5,998	6,119			
Services Business	1,278	1,219	1,182	1,080	<b>1,080</b>	946	957			
BPO Business	669	672	654	633	<b>633</b>	635	653			
Corporate	209	208	208	206	<b>206</b>	195	188			
Total	8,486	8,589	8,383	8,054	<b>8,054</b>	7,774	7,917			

## **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**

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](http://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 November 13, 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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## **Contact Info**

Judi Palmer  
Oracle Public Relations  
+1.650.784.7901  
[Judi.palmer@oracle.com](mailto:Judi.palmer@oracle.com)

Ken Bond  
Oracle Investor Relations  
+1.650.607.0349  
[ken.bond@oracle.com](mailto:ken.bond@oracle.com)