



FOR IMMEDIATE RELEASE

Oracle Financial Services Software Reports Q4 Fiscal Year 2020 Revenue of Rs. 1,264 Crore, up 4% year-over-year; Net Income for the quarter at Rs. 269 Crore, down 17% year-over-year; Revenue for the Fiscal Year 2020 at Rs. 4,861 Crore, down 2%; Net Income for Fiscal Year 2020 of Rs. 1,462 Crore, up 6%;

Mumbai, India, May 14, 2020: Oracle Financial Services Software Limited (Reuters: ORCL.BO and ORCL.NS), a majority owned subsidiary of Oracle, today announced results for the quarter and full year ended March 31, 2020. On a consolidated basis, Net income for the fiscal year 2020 was Rs. 1,462 Crore, up 6% compared to fiscal year 2019. Revenue for fiscal year 2020 was Rs. 4,861 Crore, down 2% as compared to fiscal year 2019. The operating income for fiscal year was Rs.2,075 Crore, down 1% compared to fiscal year 2019. Net income for the Quarter ended March 31, 2020 Rs. 269 Crore, down 17% year-over-year. Revenue for the same quarter was Rs.1,264 Crore, up 4% year-over-year and the operating income was Rs.498 Crore, down 1% year-over-year.

For the full year ended March 31, 2020, the Products business posted revenue of Rs.4,315 Crore, down 1% compared to fiscal year 2019; and the operating income of Rs. 2,136 Crore, which was in line with fiscal year 2019. For the same period, the Services business posted revenue of Rs.428 Crore, down 14% year-over-year; and the operating income of Rs.78 Crore, up 22% as compared to fiscal year 2019. For the quarter ended March 31, 2020, the Products business posted revenue of Rs. 1,132 Crore, up 7% year-over-year; and the operating income of Rs.572 Crore, up 10% year-over-year.

The Company has declared an interim dividend of Rs. 180 per equity share of Rs. 5 each on May 8, 2020. The Board of Directors did not recommend any final dividend for the financial year ended March 31, 2020.

Chet Kamat, Managing Director and Chief Executive Officer, Oracle Financial Services Software said, “We are pleased to report a solid quarter, which included more than a month of impact of COVID-19. We signed \$23 million of new licenses in the quarter, 12% higher year-over-year. For the full year, the net income rose 6% with net margins at 30%.

I am very proud that our robust infrastructure, processes, and most importantly our people, have ensured that we continue to deliver the commitments with minimal disruptions caused by the global COVID-19 pandemic. We have been proactive to respond to these challenges and were early to switch to work from home globally without impacting customer deliverables.

The COVID-19 pandemic is resulting in a series of government interventions around the globe to help alleviate the economic distress, and we have seamlessly helped our customers to meet these challenges. Our processes enable us to deliver our support, services and software, anytime anywhere.

While we experienced, and may continue to experience, some delays in new deal signings, especially from regions with ‘in-person’ cultures for Board Meetings and financial institutions conserving budgets in the face of cost pressures, our value proposition remains very relevant, and even more so when the economic recovery begins.”

Makarand Padalkar, Executive Director and Chief Financial Officer, Oracle Financial Services Software said, “In the midst of the COVID-19 pandemic, we are conducting business with some modification to employee travel and employee work locations, including but not limited to, work from home. Our robust IT infrastructure and business continuity processes has allowed us to respond to the situation quickly as it continues to evolve. The solid results for the quarter and year are a testimony to this.

For the full year, our margins improved across the board with Product business operating margins improving from 49% to 50%, Services business from 13% to 18%, BPO business from 29% to 33%, and overall the Company’s operating margins from 42% to 43%. Our balance sheet is strong with a healthy cash and liquidity position, and we continue to generate strong cash flows each quarter.”

Business Highlights

- The Company signed license deals of US\$ 23 million during this quarter with customers in 33 countries.
- 13 customers went live on Oracle Financial Services software products during the quarter.
- A leading bank based in the United Kingdom has upgraded its existing Oracle technology portfolio by signing a deal for Oracle FLEXCUBE Investor Servicing as well as Oracle Revenue Management and Billing for their operations in Hong Kong.
- Digital Business Solutions SA, the IT Arm of Atlantic Financial Group C&EA, has signed a deal with Oracle for Oracle FLEXCUBE Universal Banking, Oracle Banking Digital Experience, Oracle Banking APIs, Oracle FLEXCUBE Enterprise Limits and Collateral Management and Oracle Banking Payments to implement across four African countries. The implementation has begun with Banque Atlantique, Cameroon.
- An established Australian bank has extended its relationship with Oracle by signing a deal for Oracle Banking Platform.

- A path breaking Romanian bank has signed a deal for Oracle FLEXCUBE Universal Banking, Oracle Banking Payments, Oracle Banking Corporate Lending and Oracle Financial Services Analytical Applications to extend its existing technology partnership with Oracle.
- International Bank of Azerbaijan Ojsc, a market leading financial service provider offering retail and corporate banking products in Azerbaijan, has extended its relationship with Oracle by signing a deal for Oracle FLEXCUBE Universal Banking.
- A Nigerian financial services player has chosen to implement Oracle FLEXCUBE Universal Banking.
- A Libya-based Islamic Bank, Al-Andalus Bank has signed a deal with Oracle for Oracle FLEXCUBE Universal Banking, Oracle Banking Digital Experience and Oracle Banking Payments.
- A leading micro-finance deposit-taking institution with 25 years of service in the Cambodian market, Hattha Kaksekar Limited is present across 177 branches with 250,000+ depositors and 160,000+ borrowers. The bank has extended its relationship with Oracle by signing a deal for Oracle FLEXCUBE Universal Banking and Oracle Banking Payments.
- A leading UAE-based bank has extended its partnership for technology with Oracle by signing a deal for Oracle FLEXCUBE Enterprise Limits and Collateral Management as well as Oracle Banking Credit Facilities Process Management.
- A Thailand-headquartered bank has chosen Oracle banking technology to lead a digital transformation with the implementation of Oracle FLEXCUBE Universal Banking, Oracle FLEXCUBE Enterprise Limits and Collateral Management, Oracle Banking Payments, Oracle Banking Process Management for Corporate Lending, Credit Facilities and Trade Finance, as well as Oracle Banking Corporate Lending.
- A Yemen-based bank has signed a deal with Oracle to forge a new path in digital banking by implementing Oracle FLEXCUBE Universal Banking, Oracle Banking Digital Experience and Oracle Banking Payments.
- A leading Abu Dhabi-based bank has extended its relationship with Oracle by signing a deal for Oracle FLEXCUBE Universal Banking.

- A commercial bank headquartered in Afghanistan has reinvested in Oracle's banking technology by choosing to implement Oracle FLEXCUBE Universal Banking, Oracle Banking Digital Experience, Oracle Banking Payments, Oracle FLEXCUBE Enterprise Limits and Collateral Management, as well as Oracle Financial Services Analytical Applications.
- A Laos-based bank with an aim of connecting Laos with overseas financial markets has chosen to implement Oracle FLEXCUBE Universal Banking, Oracle Banking Payments, Oracle Banking Corporate Lending as well Oracle FLEXCUBE Enterprise Limits and Collateral Management for its Vietnam operations.

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	Year Ended				% Increase (Decrease)
	Mar 31, 2020	% of Revenues	Mar 31, 2019	% of Revenues	
REVENUES					
Products	43,146	89%	43,527	88%	(1%)
Services	4,276	9%	4,945	10%	(14%)
BPO - Services	1,191	2%	1,117	2%	7%
Total Revenues	48,613	100%	49,589	100%	(2%)
SEGMENT RESULTS					
Products	21,360	50%	21,466	49%	(0%)
Services	778	18%	636	13%	22%
BPO - Services	388	33%	323	29%	20%
Total	22,526	46%	22,425	44%	0%
Unallocable expenses	(1,776)	(3%)	(1,516)	(2%)	17%
OPERATING INCOME	20,750	43%	20,909	42%	(1%)
Interest and other income, net	1,773	3%	1,761	4%	1%
INCOME BEFORE PROVISION OF TAXES	22,523	46%	22,670	46%	(1%)
Provision for taxes	7,901	16%	8,811	18%	(10%)
NET INCOME	14,622	30%	13,859	28%	6%
Earnings per share of Rs 5/- each (in Rs)					
Basic	170.38		161.94		5%
Diluted	169.66		161.11		5%

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**Q4 FY 2019-20 : FINANCIAL RESULTS
CONSOLIDATED STATEMENTS OF OPERATIONS
(In INR Million, except per share data)**

Particulars	Three Months Ended				% Increase (Decrease)
	Mar 31, 2020	% of Revenues	Mar 31, 2019	% of Revenues	
REVENUES					
Products	11,317	89%	10,595	87%	7%
Services	1,015	8%	1,278	11%	(21%)
BPO - Services	304	2%	276	2%	10%
Total Revenues	12,636	100%	12,149	100%	4%
SEGMENT RESULTS					
Products	5,719	51%	5,180	49%	10%
Services	161	16%	347	27%	(54%)
BPO - Services	86	28%	73	26%	18%
Total	5,966	47%	5,600	46%	7%
Unallocable expenses	(983)	(8%)	(544)	(4%)	81%
OPERATING INCOME	4,983	39%	5,056	42%	(1%)
Interest and other income, net	371	3%	613	5%	(39%)
INCOME BEFORE PROVISION OF TAXES	5,354	42%	5,669	47%	(6%)
Provision for taxes	2,662	21%	2,409	20%	11%
NET INCOME	2,692	21%	3,260	27%	(17%)
Earnings per share of Rs 5/- each (in Rs)					
Basic	31.36		38.03		(18%)
Diluted	31.24		37.86		(17%)

Oracle Financial Services Software Limited
Q4 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
<u>Geographic Revenues</u>										
Products Business										
India	7%	5%	6%	6%	6%	6%	7%	7%	7%	7%
Outside India										
Americas										
United States of America	20%	23%	22%	25%	22%	20%	21%	21%	22%	21%
Rest of America	7%	8%	7%	6%	7%	6%	9%	8%	6%	7%
Europe	14%	15%	17%	15%	16%	16%	16%	17%	18%	17%
Asia Pacific	29%	29%	27%	29%	28%	27%	27%	27%	30%	28%
Middle East and Africa	23%	20%	21%	19%	21%	25%	20%	20%	17%	20%
Services Business (incl. BPO Services)										
India	2%	0%	1%	0%	1%	0%	1%	1%	0%	1%
Outside India										
Americas										
United States of America	61%	67%	70%	71%	68%	74%	70%	73%	72%	72%
Rest of America	3%	2%	2%	1%	2%	1%	1%	1%	1%	1%
Europe	21%	19%	14%	17%	18%	13%	16%	12%	15%	14%
Asia Pacific	9%	9%	9%	7%	8%	8%	8%	11%	9%	9%
Middle East and Africa	4%	3%	4%	4%	4%	5%	4%	2%	3%	3%
Total Company										
India	7%	5%	6%	5%	6%	5%	6%	6%	6%	6%
Outside India										
Americas										
United States of America	25%	28%	28%	31%	28%	26%	27%	27%	27%	27%
Rest of America	6%	7%	6%	6%	6%	6%	8%	7%	6%	7%
Europe	15%	16%	16%	15%	16%	16%	16%	16%	17%	16%
Asia Pacific	26%	26%	25%	26%	26%	25%	25%	26%	28%	26%
Middle East and Africa	21%	18%	19%	17%	19%	22%	18%	18%	16%	18%
<u>Revenue Analysis</u>										
Products Business										
License Fees	17%	10%	10%	13%	12%	19%	9%	8%	15%	13%
Maintenance Fees	28%	33%	32%	30%	31%	29%	34%	35%	32%	32%
Consulting fees										
Fixed Price	30%	31%	32%	31%	31%	28%	29%	29%	30%	29%
Time & Material Basis	25%	26%	26%	26%	26%	24%	28%	28%	23%	26%
Services Business (incl. BPO Services)										
Fixed Price	29%	22%	25%	27%	25%	24%	27%	24%	24%	25%
Time & Material Basis	71%	78%	75%	73%	75%	76%	73%	76%	76%	75%
<u>Trade Receivables</u>										
0-180 days	93%	94%	91%	88%	88%	92%	91%	92%	93%	93%
More than 180 days	7%	6%	9%	12%	12%	8%	9%	8%	7%	7%
DSO (Days)	58	71	63	63	63	68	62	65	63	63
<u>Attrition Rate (TTM)</u>										
	17%	17%	18%	20%	20%	22%	22%	22%	21%	21%
<u>Staff Data</u>										
Products Business	6,330	6,490	6,339	6,135	6,135	5,998	6,119	6,122	6,188	6,188
Services Business	1,278	1,219	1,182	1,080	1,080	946	957	954	958	958
BPO Business	669	672	654	633	633	635	653	654	664	664
Corporate	209	208	208	206	206	195	188	189	191	191
Total	8,486	8,589	8,383	8,054	8,054	7,774	7,917	7,919	8,001	8,001

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 May 14, 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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