

FOR IMMEDIATE RELEASE

Oracle Financial Services Software Reports Q3 Fiscal Year 2021
Revenue of Rs. 1,238 Crore, up 7% YoY;
License revenue for the quarter up 56%

Mumbai, India, January 28, 2021: 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, 2020. Revenue for the Quarter was Rs. 1,238 Crore, up 7% year-over-year. Operating income for the quarter was Rs. 580 Crore, up 17% year-over-year. Net income for the quarter was Rs. 430 Crore, down 6% year-over-year.

For the three months ended December 31, 2020, the Products business posted revenue of Rs. 1,101 Crore, up 7% year-over-year, and operating income of Rs. 606 Crore, up 23% year-over-year. For the same period, the Services business posted revenue of Rs. 102 Crore, marginally higher year-over-year, and the Operating income of Rs. 21 Crore, up 54% year-over-year.

“We are pleased with the overall business momentum. We signed \$19.1 million of new licenses, which is 56% higher than the corresponding quarter last fiscal,” said Chet Kamat, Managing Director and Chief Executive Officer, Oracle Financial Services Software. “Year over year, revenue for the quarter grew 7% and operating income grew 17%. We have a robust deal pipeline, validating the continued relevance of our offerings to global financial institutions as they transform into the digital world.”

“We delivered a strong quarterly performance on every business metric,” said Makarand Padalkar, Executive Director and Chief Financial Officer, Oracle Financial Services Software. “On a year-to-date basis also, our revenue grew 5%, operating income grew 13% and net income rose 9%,”

Business Highlights

- The Company signed license deals totaling \$ 19.1 million during this quarter.
- 23 customers went live on Oracle Financial Services software products during the quarter.

- A renowned UK-based private bank has chosen Oracle to enhance its technology landscape by implementing Oracle FLEXCUBE Universal Banking, Oracle Banking Corporate Lending, Oracle Banking Payments, Oracle Banking Digital Experience, Oracle Banking Treasury Management, and Oracle Banking Enterprise Limits and Collateral Management products.
- A leading American regional bank and a long-standing Oracle customer has expanded its relationship and signed a deal for Oracle Financial Services Analytical Applications.
- A London-based bank has extended its ties with Oracle by signing a deal for Oracle FLEXCUBE Universal Banking, Oracle Banking APIs, and Oracle Banking Payments.
- The wholesale banking division of a leading Dutch bank has further strengthened its relationship with Oracle by choosing to implement Oracle Banking Payments.
- In its 30-year history in Brazil, Banco Rabobank International Brasil has become a leading bank, investing in long-term relationships for corporate clients in the food sector, as well as financial products and services being directly offered to the country's farmers. The bank has signed a deal with Oracle to implement Oracle FLEXCUBE Universal Banking, Oracle Banking Payments, Oracle Banking Supply Chain Finance, Oracle Banking Trade Finance, Oracle Banking Treasury Management, and Oracle Banking Corporate Lending.
- A leading tools and equipment manufacturer based in the U.S. has signed a deal for Oracle Financial Services Lending and Leasing Cloud Service.
- An established, India-headquartered bank has extended its long-standing technology partnership with Oracle by signing a deal for the Oracle Banking Enterprise Limits and Collateral Management solution set.
- One of the earliest private commercial banks in Uzbekistan, JSCB "Kapitalbank" has developed swiftly, achieving high growth in both corporate and retail banking segments. The bank has signed a deal with Oracle to implement Oracle Banking Digital Experience and Oracle Banking APIs.
- A large Canadian bank has signed a deal for Oracle Financial Services Analytical Applications.
- One of the largest Banks in South Korea has extended its relationship with Oracle by signing a deal for Oracle Financial Services Analytical Applications.

- Founded in 2001, Joint-Stock Commercial Bank "Universal Bank" provides services to retail and commercial customers in Uzbekistan. The bank recently signed a deal to implement Oracle FLEXCUBE Universal Banking, Oracle Banking APIs, Oracle Banking Payments, Oracle Banking Treasury Management, Oracle Banking Enterprise Limits Management, and Oracle Banking Enterprise Collateral Management.
- A Nigerian commercial bank has signed a deal for Oracle FLEXCUBE Universal Banking to power its retail, commercial and SME banking operations.
- A large Lithuanian bank has signed a deal with Oracle to enhance its corporate banking capabilities by implementing Oracle FLEXCUBE Universal Banking, Oracle Banking Corporate Lending, Oracle Banking Liquidity Management, Oracle Banking Payments, Oracle Banking Trade Finance, Oracle Banking Treasury Management, Oracle Banking Enterprise Limits Management, and Oracle Banking Enterprise Collateral Management.
- One of the largest banks in India has extended its relationship with Oracle by signing a deal for Oracle Financial Services Analytical Applications.
- A reputed bank from the Nation of Brunei has migrated to the latest Oracle banking technology, which includes Oracle FLEXCUBE Universal Banking, Oracle Banking Digital Experience, Oracle Banking Payments, Oracle Banking Corporate Lending, Oracle Banking Treasury Management, and the Oracle Banking Enterprise Limits Management and Collateral Management set of products.
- A well-established Vietnamese bank has signed a deal for Oracle Financial Services Analytical Applications.
- Recognizing the versatility of Oracle banking technology, a leading Cambodian commercial bank has signed a deal for Oracle FLEXCUBE Universal Banking, Oracle Banking Payments, Oracle Banking Treasury Management, Oracle Banking Enterprise Limits Management, and Oracle Banking Enterprise Collateral Management.

ORACLE FINANCIAL SERVICES SOFTWARE GROUP					
Q3 FY 2020-21 : FINANCIAL RESULTS					
CONSOLIDATED STATEMENTS OF OPERATIONS					
(In INR Million, except per share data)					
Particulars	Three Months Ended				% Increase (Decrease)
	Dec 31, 2020	% of Revenues	Dec 31, 2019	% of Revenues	
REVENUES					
Products	11,014	89%	10,277	88%	7%
Services	1,016	8%	1,013	9%	0%
BPO - Services	354	3%	311	3%	14%
Total Revenues	12,384	100%	11,601	100%	7%
SEGMENT RESULTS					
Products	6,060	55%	4,935	48%	23%
Services	205	20%	134	13%	54%
BPO - Services	165	47%	118	38%	40%
Total	6,430	52%	5,187	45%	24%
Unallocable expenses	(630)	(5%)	(218)	(2%)	189%
OPERATING INCOME	5,800	47%	4,969	43%	17%
Interest and other income, net	227	2%	621	5%	(63%)
INCOME BEFORE PROVISION OF TAXES	6,027	49%	5,590	48%	8%
Provision for taxes	1,730	14%	1,022	9%	69%
NET INCOME	4,297	35%	4,568	39%	(6%)
Earnings per share of Rs 5/- each (in Rs)					
Basic	49.96		53.21		(6%)
Diluted	49.76		53.00		(6%)

ORACLE FINANCIAL SERVICES SOFTWARE GROUP					
FY 2020-21 YEAR TO DATE : FINANCIAL RESULTS CONSOLIDATED STATEMENTS OF OPERATIONS (In INR Million, except per share data)					
Particulars	Nine Months Ended				% Increase (Decrease)
	Dec 31, 2020	% of Revenues	Dec 31, 2019	% of Revenues	
REVENUES					
Products	33,513	89%	31,828	88%	5%
Services	3,212	9%	3,261	9%	(2%)
BPO - Services	1,006	3%	888	3%	13%
Total Revenues	37,731	100%	35,977	100%	5%
SEGMENT RESULTS					
Products	18,238	54%	15,640	49%	17%
Services	606	19%	618	19%	(2%)
BPO - Services	424	42%	302	34%	40%
Total	19,268	51%	16,560	46%	16%
Unallocable expenses	(1,423)	(4%)	(793)	(2%)	79%
OPERATING INCOME	17,845	47%	15,767	44%	13%
Interest and other income, net	881	3%	1,402	4%	(37%)
INCOME BEFORE PROVISION OF TAXES	18,726	50%	17,169	48%	9%
Provision for taxes	5,711	15%	5,239	15%	9%
NET INCOME	13,015	35%	11,930	33%	9%
Earnings per share of Rs 5/- each (in Rs)					
Basic	151.40		139.03		9%
Diluted	150.78		138.45		9%

Oracle Financial Services Software Limited Q3 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
<u>Geographic Revenues</u>										
Products Business										
India	6%	7%	7%	7%	7%	8%	7%	7%		
Outside India										
Americas										
United States of America	20%	21%	21%	22%	21%	20%	19%	20%		
Rest of America	6%	9%	8%	6%	7%	9%	8%	9%		
Europe	16%	16%	17%	18%	17%	16%	20%	19%		
Asia Pacific	27%	27%	27%	30%	28%	28%	30%	30%		
Middle East and Africa	25%	20%	20%	17%	21%	19%	16%	16%		
Services Business (incl. BPO Services)										
India	0%	1%	1%	0%	1%	1%	1%	1%		
Outside India										
Americas										
United States of America	74%	70%	73%	72%	72%	72%	74%	75%		
Rest of America	1%	1%	1%	1%	1%	1%	0%	1%		
Europe	13%	16%	12%	15%	14%	15%	12%	12%		
Asia Pacific	8%	8%	11%	9%	9%	7%	9%	9%		
Middle East and Africa	5%	4%	2%	3%	3%	4%	3%	3%		
Total Company										
India	5%	6%	6%	6%	6%	7%	7%	7%		
Outside India										
Americas										
United States of America	26%	27%	27%	27%	27%	25%	25%	26%		
Rest of America	6%	8%	7%	6%	7%	8%	7%	8%		
Europe	16%	16%	16%	17%	16%	16%	19%	18%		
Asia Pacific	25%	25%	26%	28%	26%	26%	28%	27%		
Middle East and Africa	22%	18%	18%	16%	19%	18%	14%	14%		
<u>Revenue Analysis</u>										
Products Business										
License Fees	19%	9%	8%	15%	13%	19%	10%	12%		
Maintenance Fees	29%	34%	35%	32%	32%	32%	37%	36%		
Consulting fees										
Fixed Price	28%	29%	29%	30%	29%	26%	30%	29%		
Time & Material Basis	24%	28%	28%	23%	26%	23%	24%	23%		
Services Business (incl. BPO Services)										
Fixed Price	24%	27%	24%	24%	25%	28%	25%	29%		
Time & Material Basis	76%	73%	76%	76%	75%	72%	75%	71%		
<u>Trade Receivables</u>										
0-180 days	92%	91%	92%	93%	93%	97%	97%	98%		
More than 180 days	8%	9%	8%	7%	7%	3%	3%	2%		
DSO (Days)	68	62	65	63	63	64	55	56		
<u>Attrition Rate (TTM)</u>										
	22%	22%	22%	21%	21%	17%	15%	14%		
<u>Staff Data</u>										
Products Business	5,998	6,119	6,122	6,188	6,188	6,185	6,319	6,367		
Services Business	946	957	954	958	958	953	906	865		
BPO Business	635	653	654	664	664	651	644	694		
Corporate	195	188	189	191	191	193	189	184		
Total	7,774	7,917	7,919	8,001	8,001	7,982	8,058	8,110		



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

Oracle offers suites of integrated applications plus secure, autonomous infrastructure in the Oracle Cloud. For more information about Oracle (NYSE: ORCL), please visit us at oracle.com.

Trademarks

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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 January 28, 2021. Oracle Financial Services Software Limited undertakes no duty to update any statement in light of new information or future events.

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