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**ORACLE CORPORATION REPORTS PROFITS UP 36 PERCENT  
IN RECORD THIRD QUARTER**

*Total Revenue Tops \$2 Billion; EPS \$0.20*

Redwood Shores, Calif., March 11, 1999—Oracle Corporation today announced record third quarter results for the period ended February 28, 1999. Revenues for the third quarter increased 19 percent (19 percent in local currencies) to \$2.079 billion from \$1.749 billion in the same period last year. Net income for the period increased 36 percent to \$293 million, or \$0.20 per diluted share, compared to net income of \$215 million, or \$0.14 per diluted share, in the same period last year. Earnings per share have been adjusted to reflect a three-for-two stock split during February of 1999.

Revenue from Oracle's two businesses, database and applications, totaled \$8.3 billion in the last four quarters. The database business, including database, tools and related services, grew 20 percent to \$6.0 billion for the last four quarters, continuing its position as the largest database business in the world. Revenues from the applications business and related services grew 37 percent to \$2.3 billion in revenues for the last four quarters, continuing Oracle's position as the second largest applications business in the world.

Product related revenues (license and support) in the third quarter grew by 16 percent versus the same period last year, led by growth in applications related products. Oracle's Education and Consulting services revenue increased 27 percent during the quarter.

Oracle reported continued growth in Americas and EMEA (Europe, Middle East and Africa) and significant improvement in Asia Pacific. Americas revenue was up 17 percent (19 percent without the currency impact) in the third quarter versus the same period last year. EMEA was up 20 percent (19 percent without the currency impact) versus the same period last year. Asia Pacific was up 25 percent (19 percent without the currency impact) versus the same period last year, reflecting improvement in both economic conditions and currency impact in Asia Pacific.

## ORACLE REPORTS RECORD THIRD QUARTER EARNINGS RESULTS -2-

"We had 33 percent license growth in the Americas in Q3 of last year, which makes our year to year same quarter growth comparison a tough one," said Jeffrey O. Henley, Executive Vice President and Chief Financial Officer. "However, when you look at this year's Q2 to Q3 sequential growth, you will see that we delivered growth consistent with our sequential growth patterns over a long period."

"Today, just about every major Internet site in the world uses Oracle," said Lawrence J. Ellison, Chairman and Chief Executive Officer. "In Q3 alone, America Online, eBay, Excite, Infoseek, and Yahoo!, plus many others, increased their commitment to Oracle. With the recent release of Oracle8i, our competitive position is even better. The growth of our database business will continue to be driven by the growth of the Internet.

"Our application business growth will be heavily influenced by next month's delivery of the Internet version of Oracle's Customer Relationship Management suite called CRM 3i. Oracle CRM 3i is the only front office solution that integrates all aspects of selling: field sales, telesales and the e-store," continued Ellison. "Our field sales and telesales products, and of course our e-store, are 100% pure Internet technology. Other CRM vendors' field sales and telesales products use older client-server technology, and they have no e-store."

Oracle made a number of significant announcements recently:

- Oracle announced the immediate availability of Oracle8i™ on March 1, 1999, the world's first Internet database and the centerpiece of Oracle's Internet Platform. More than 75,000 Internet developers have already registered for early access CD's in only eleven days, demonstrating the huge market demand for Oracle8i's breakthrough Internet capabilities. Oracle's Internet Platform leverages Java and other Internet standards to help organizations centralize complexity for professional management, and distribute information to any Internet browser. Oracle8i is available on all major platforms including Linux.
- Oracle set a new bar for performance, simplicity and ease of use with the announcement of Oracle8i Appliance. Both HP and Dell announced the intention to manufacture and sell

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## **ORACLE REPORTS RECORD THIRD QUARTER EARNINGS RESULTS -3-**

computers with the pre-installed and pre-configured Oracle 8i Appliance software, eliminating the need for a stand-alone operating system. Oracle8i Appliance will be shipping this fiscal fourth quarter.

- Recognizing the strategic impact of the debut of the Euro, Oracle is leveraging its Application technology to help its customers handle the new Euro currency, Oracle's Euro-ready Oracle Applications Release 11. The Oracle Applications division announced a step-by-step plan to identify and satisfy Euro requirements and strategic business planning issues for the three year transition. Oracle Applications Release 11 provides full financial management and reporting in both the Euro and the NCUs (National Currency Units).
- Oracle announced Strategic Enterprise Management (Oracle SEM), an integrated set of analytical applications that enable executives to take a more informed view of their business. These applications enable executives to focus on increasing the value of their corporation to its shareholders. Oracle SEM is a strategic software management system that allows companies to make value-based decisions on key management processes including strategic planning, integrated budgeting and forecasting, measuring effectiveness, and compensation.
- Oracle announced the availability of the only comprehensive procurement application offered by an ERP vendor, Oracle Strategic Procurement. Both as a stand-alone product or as a fully integrated application, Oracle Strategic Procurement, is a fully-automated, web-based application solution which helps companies acquire goods and services at the lowest total cost. Oracle Strategic Procurement, is currently in use or is being implemented at major corporations including Boeing, General Electric, Novell, San Francisco News Agency and Xerox.

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## ORACLE REPORTS RECORD THIRD QUARTER EARNINGS RESULTS -4-

Oracle Corporation is the world's leading supplier of software for information management, and the world's second largest independent software company. With annual revenues of over \$8.3 billion, the company offers its database, tools and application products, along with related consulting, education, and support services, in more than 145 countries around the world.

For more information about Oracle, please call Oracle Investor Relations at (650) 506-4073 or see Oracle's World Wide Web page: <http://www.oracle.com/>.

"Safe Harbor" Statement Under the Private Securities Litigation Reform Act 1995:  
Information in this release relating to Oracle's future prospects which are "forward-looking statements" are subject to certain risks and uncertainties that could cause actual results to differ materially, including, but not necessarily limited to the following: (1) Management's ability to manage growth, continuously hire and retain significant numbers of qualified employees, forecast revenues and control expenses continues to be a challenge. An unexpected decline in the growth rate of revenues without a corresponding and timely slowdown in expense growth could have a material adverse effect on results of operations. (2) The market for Oracle's products is intensely competitive and is characterized by rapid technological advances and frequent new product introductions. There can be no assurances that Oracle will continue to introduce new products and new versions of existing products that keep pace with technological developments, satisfy increasingly sophisticated customer requirements and achieve market acceptance. (3) Intense competition in the various markets in which Oracle competes may put pressure on Oracle to reduce prices on certain products. (4) Delays in product delivery or closing of sales can cause quarterly revenues and income to fall significantly short of anticipated levels. (5) Oracle is introducing new products, such as web applications servers and Internet computing software; the market acceptance and contribution to Oracle's revenues of these products cannot be assured. (6) As the year 2000 approaches, many companies have been testing and modifying their systems to ensure their ability to accommodate the change in date to the year 2000. Oracle expects that many companies will postpone the purchase of new software products until after the year 2000, in order to assure the continuing ability of their information systems to handle the year 2000 date change. This could cause the software industry and Oracle to experience a significant decrease in the demand for new products. In prior quarters and to a lesser extent on an ongoing basis, demand for applications software may have been and continue to be generated by customers in the process of replacing and upgrading applications in order to accommodate the change in date to the year 2000. Once such customers have completed such preparations, the software industry and Oracle may experience a significant deceleration from the strong annual growth rates recently experienced in the applications software marketplace. In addition, Oracle may generally experience increased expenses in addressing issues associated with the transition to software that is year 2000 compliant. Oracle undertakes no obligation to update information contained in this release. For further information regarding risks and uncertainties associated with Oracle's business, please refer to the "Risk Factors" section of Oracle Corporation's SEC filings, including, but not limited to, its annual report on Form 10-K and quarterly reports on Form 10-Q, copies of which may be obtained by contacting Oracle Corporation's Investor Relations Department at (650) 506-4073 or Oracle's Investor Relations website at <http://www.oracle.com/>.