

Dear Stockholder:

Oracle Corporation, our stockholders and employees are directly impacted by public policy decisions made in Washington, D.C., as well as in state capitals in the U.S., and foreign capitals around the world. Oracle Corporation does business in well over 125 countries with a complex web of international laws governing the development and sale of our software and services. Proposed policy changes that impact the amount of taxes Oracle and its employees pay, what countries we can trade with, and the protection of Oracle's intellectual property, are just a few of the current issues we face around the world. These issues have an important impact on Oracle's bottom-line, and on stockholder value.

Concerns have been recently raised regarding corporate spending on US political activities and the availability of information on political contributions and expenditures. While Oracle's level of activity in this area is relatively insignificant we are providing this letter to add transparency to the already extensive set of political disclosure laws governing our activities. This letter and any subsequent updates will be provided to our Finance and Audit Committee of the Oracle Board of Directors and will be available on our website.

Oracle's public policy agenda is developed and advanced by Oracle Government Affairs reporting to Oracle's President and Chief Financial Officer. The company's government relations practices operate in strict compliance with all applicable federal, state and local laws and disclosure requirements, including the new Honest Leadership and Open Government Act, which imposes enhanced public disclosure requirements on those who engage in government relations. Records of Oracle's federal lobbying disclosure reports are reportable to the Secretary of the U.S. Senate and the Clerk of the U.S. House of Representatives and are publicly available by visiting their respective websites:[http://www.senate.gov/legislative/Public\\_Disclosure/LDA\\_reports.htm](http://www.senate.gov/legislative/Public_Disclosure/LDA_reports.htm) and [http://clerk.house.gov/public\\_disc](http://clerk.house.gov/public_disc). Moreover, Oracle operates in strict compliance with the Foreign Corrupt Practices Act. All of these activities are monitored by a full time Political Compliance director, reporting under separate lines to Oracle's General Counsel.

As part of Oracle's commitment to improve the public policy environment, Oracle employees came together in 1996 to form their own non-partisan political action committee – Oracle PAC. Oracle PAC enables Oracle employees and stockholders to support elected officials who share our vision for innovation, competitiveness, regulation and economic growth.

Qualified U.S. employees, stockholders, and their spouses can voluntarily contribute to Oracle PAC. Oracle PAC is an employee-operated legal entity that is separate from Oracle Corporation, and operates in compliance with federal laws, as well as regulations and guidelines issued and enforced by the Federal Election Commission (FEC). The PAC is managed by a Steering Committee that consists of Oracle executives. All Oracle PAC members are welcome to recommend potential recipients of Oracle PAC contributions, and all contributions are approved by the Steering Committee before disbursements are made. Oracle PAC also retains outside legal counsel to review all financial transactions, and to ensure strict compliance with all relevant laws, regulations and guidelines. Contributions are based on a strict set of criteria established by Oracle PAC's Steering Committee. Records of Oracle PAC's FEC reports, which detail contributions and expenditures, are publicly available on the FEC website, <http://www.fec.gov>.

With this letter, we are providing additional information covering Oracle expenditures of a "political" nature. This information generally is disclosed under campaign finance law or under tax law governing 527 organizations (these are tax exempt groups named after section 527 of the US Tax Code), but we are taking this opportunity to facilitate easier stockholder access. Included in the additional information are:

Oracle contributions reportable under state campaign finance or ballot measure laws; Oracle expenditures for express advocacy or for electioneering communications reportable under applicable campaign finance or ballot measure laws; and Oracle donations to 527 organizations reportable under federal tax law.

The additional information can be found at: (attach pdf of Oracle's 2007 Political Contributions). Should any stockholder require additional information please contact Oracle Investor Relations at [www.oracle.com/investor](http://www.oracle.com/investor).

Lastly, Oracle periodically reviews whether or not to formalize a role for Oracle's Board of Directors in our political programs. Our conclusion is that since the total sum of corporate funds is so immaterial to our operations that this activity would not currently constitute an effective use of our Board's time.

Sincerely,

Kenneth Glueck  
Senior Vice President

## Oracle Political Contributions from January 1, 2007 – May 31, 2008

<b>Contribution Name</b>	<b>Date</b>	<b>Disbursed Amount (USD\$)</b>
<b>California</b>		
California Inaugural	1/22/2007	\$ 50,000.00
California Republican Party	9/11/2007	\$ 10,000.00
Villines for Assembly 2008	10/30/2007	\$ 3,600.00
TechNet California PAC	12/14/2007	\$ 6,000.00
Latino Legislative Caucus Foundation, CA	2/21/2008	\$ 25,000.00
<b>Colorado</b>		
Colorado Inaugural	1/17/2007	\$ 10,000.00
<b>Maine</b>		
Maine Republican Party	10/30/2007	\$ 2,500.00
Maine Democratic State Committee	2/21/2008	\$ 2,500.00
<b>Mississippi</b>		
Barbour for Governor	10/29/2007	\$ 1,000.00
<b>Nevada</b>		
Nevada State Democratic Party	2/21/2008	\$ 25,000.00
<b>New Hampshire</b>		
Nashua Chamber of Commerce	7/25/2007	\$ 2,500.00
<b>New York</b>		
New York State Democratic Committee	4/19/2007	\$ 5,000.00
<b>Virginia</b>		
Steve Shannon for Delegate	4/20/2007	\$ 2,000.00
Jeannemarie Devolites Davis for State Senate	5/29/2007	\$ 5,000.00
Steve Shannon for Delegate	8/17/2007	\$ 500.00
Lewis for House of Delegates	8/17/2007	\$ 500.00
Alexander for House of Delegates	8/17/2007	\$ 500.00
Friends of Paula Miller	10/10/2007	\$ 500.00
Friends of Tim Hugo	10/18/2007	\$ 7,000.00
Jeannemarie Devolites Davis for State Senate	10/18/2007	\$ 2,500.00
Commonwealth Victory Fund	10/18/2007	\$ 6,000.00

Oracle Political Contributions from January 1, 2007 – May 31, 2008 (continued)

<b>Contribution Name</b>	<b>Date</b>	<b>Disbursed Amount (USD\$)</b>
<b>Virginia (continued)</b>		
Friends of Delegate Ken Plum	10/25/2007	\$ 1,000.00
House Republican Campaign Committee	10/25/2007	\$ 6,000.00
Joe May for Delegate	10/25/2007	\$ 2,000.00
Wampler for Senate	10/30/2007	\$ 1,000.00
Janet Howell for Senate	10/30/2007	\$ 4,000.00
Friends of Bill Howell	11/5/2007	\$ 500.00
Friends of Walter Stosch	11/5/2007	\$1,000.00
Friends of Sam Nixon	12/3/2007	\$250.00
NVTC Tech PAC	11/19/2007	\$5,000.00
Steve Shannon for Delegate- (VA)	1/10/2008	\$500.00
<b>Washington</b>		
Washington State Democratic Central Comm	2/21/2008	\$2,800.00
<b>National</b>		
Republican Governors Association	5/8/2007	\$50,000.00
Democratic Governors Association	10/30/2007	\$50,000.00
<b>Total Corporate Contributions from Jan. 1, 2007 thru May 31, 2008.</b>		<b>\$ 291,650.00</b>