



Oracle Financial Update

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Safe Harbor Statement



Statements in this presentation relating to Oracle's future plans, expectations, beliefs, intentions 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. A detailed discussion of these factors and other risks that affect our business is contained in our U.S. Securities and Exchange Commission (SEC) filings, including our most recent reports on Form 10-K and Form 10-Q, particularly under the heading "Risk Factors." Copies of these filings are available online from the SEC or by contacting Oracle's Investor Relations Department at (650) 506-4073 or by clicking on SEC Filings on the Oracle Investor Relations website at www.oracle.com/investor/. All information set forth in this presentation is current as of September 21, 2023. Oracle undertakes no duty to update any statement in light of new information or future events.

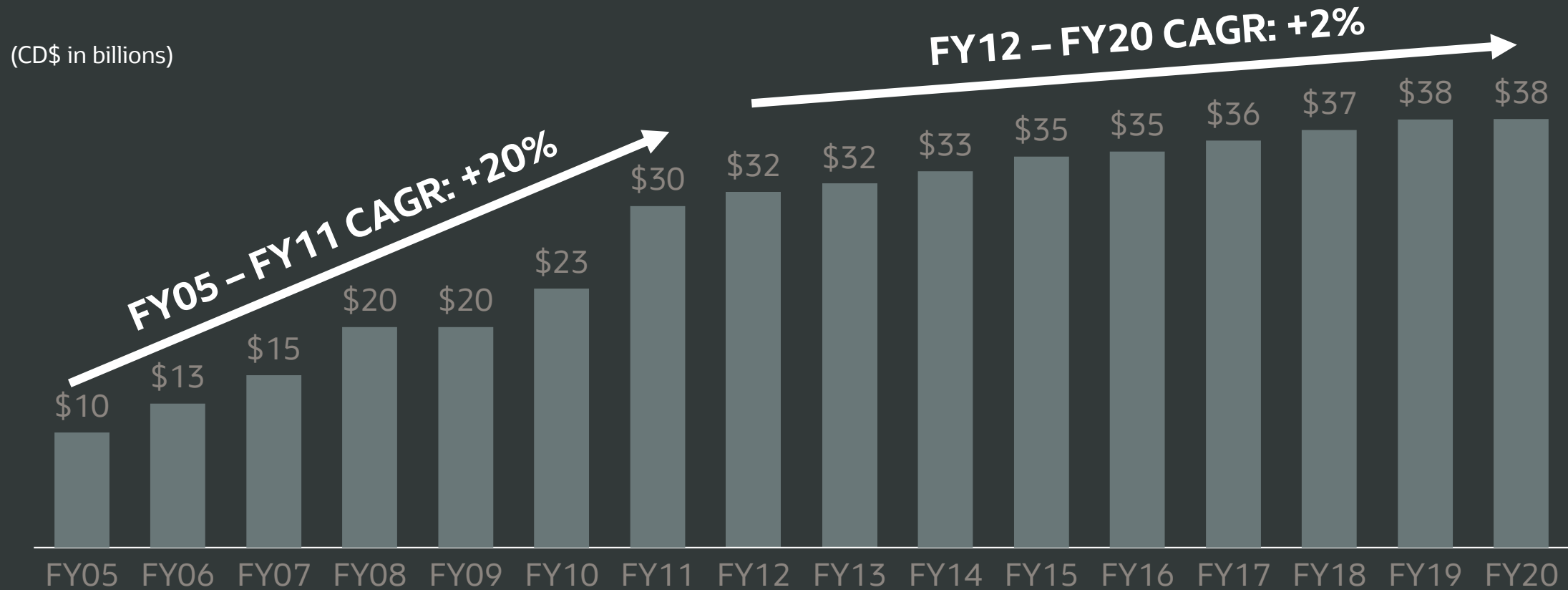
Non-GAAP Financial Measures



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To supplement our financial results presented on a GAAP basis, we use non-GAAP measures, which exclude certain business combination accounting entries and expenses related to acquisitions and other significant expenses including stock-based compensation, that we believe are helpful in understanding our past financial performance and our future results. Our non-GAAP financial measures are not meant to be considered in isolation or as a substitute for comparable GAAP measures, and should be read only in conjunction with our consolidated financial statements prepared in accordance with GAAP. Today's discussion includes certain non-GAAP financial measures, and a GAAP to non-GAAP reconciliation can be viewed at the end of this presentation.

Following FY20 and Our Cloud Transformation, We Had Line of Sight to Revenue Accelerating



Note: Data in constant currency (CD).
Figures represent non-GAAP total revenue.

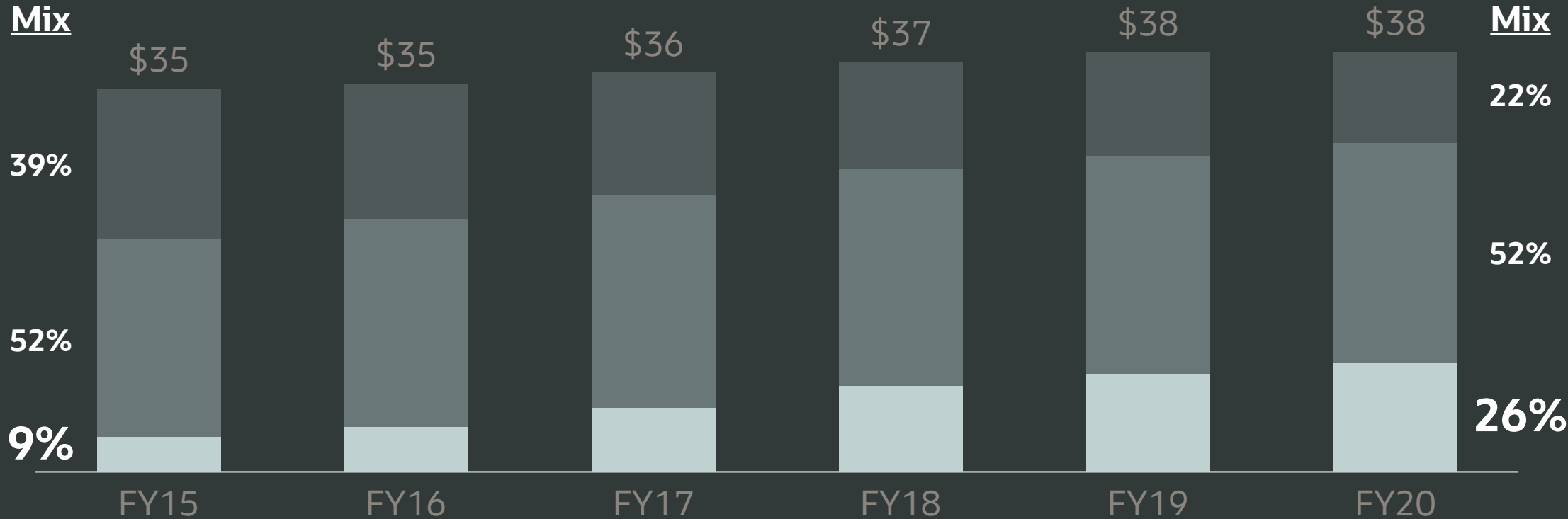
Our Growing Cloud Business Had Nearly Tripled as % of Total Revenue

(CD\$ in billions)

■ Growing ■ Stable ■ Declining

FY15
Mix

FY20
Mix



Note: Data in constant currency (CD).
Figures represent non-GAAP total revenue.

Safra Catz Q4'FY20 Earnings Call:

“We are confident in our growth because **our mix of business is becoming increasingly favorable...**We are now at a point where **our growing businesses are now larger than our declining businesses.** And this favorable shift will inevitably **drive revenue acceleration going forward.**”

As Predicted, Oracle's Revenue Growth Began Accelerating



Revenue Mix

**Growing
Businesses:**

26%	28%	32%
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Note: Data in constant currency (CD).
Figures represent non-GAAP total revenue.

Last Year, Oracle Introduced the following non-GAAP Goals for Fiscal Year 2026

\$65B

Total Organic
Revenue

45%

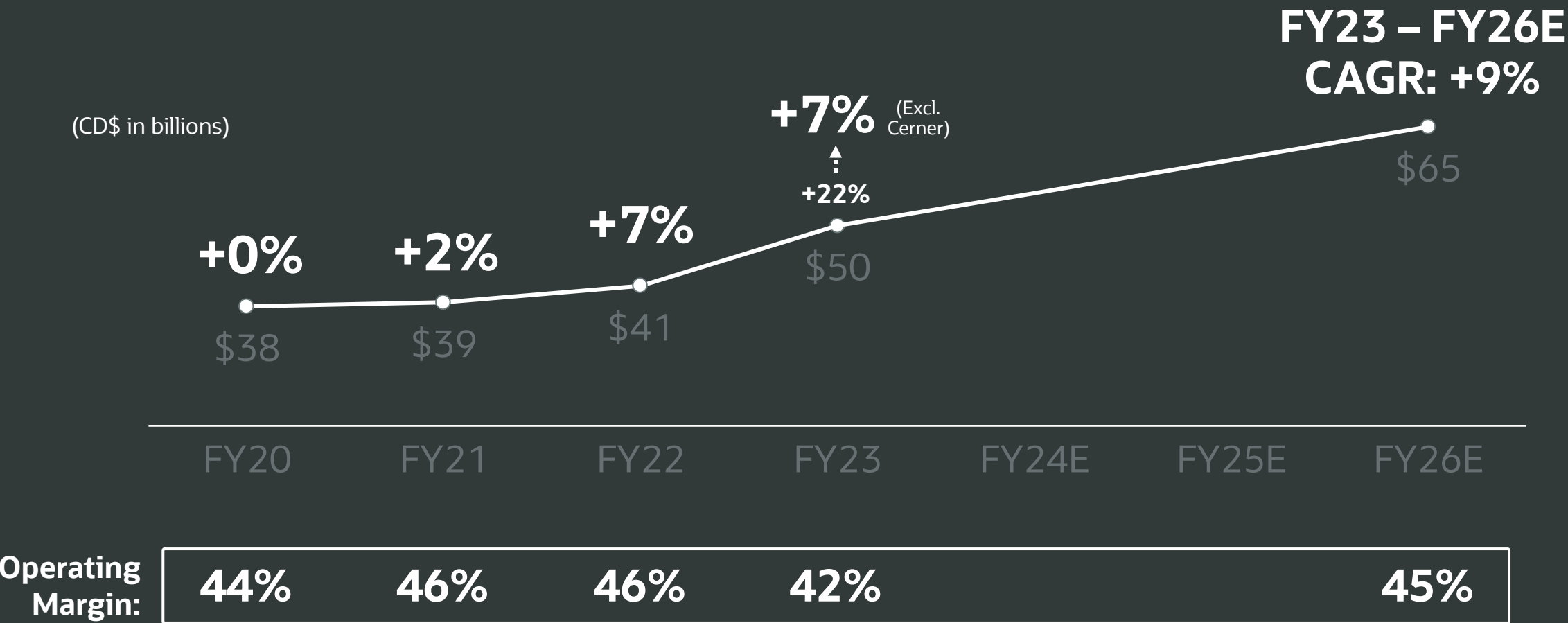
Operating Margin

>10%

Annual EPS
Growth

Note: Organic revenue base includes Cerner. Operating margin includes Cerner. EPS growth rate is in constant currency.

We Remain Confident that We Are On Track to Meet the FY26 Targets



Note: Data in constant currency (CD).
Figures represent non-GAAP total revenue. Operating margin is non-GAAP.

Achieving Fiscal Year 2026 Targets

1.

**Innovate and Expand
Competitive Differentiation**

2.

**Increase Growth Businesses
as % of Total Revenue**

3.

**Convert Increasing Scale
Into Higher Margins**

Oracle Continues to Rapidly Innovate Across Cloud Applications and Infrastructure to Drive Differentiation

• Oracle Industry Applications •

- Communications
- Financial Services
- Health
- Utilities
- And more...

• Oracle Fusion / NetSuite Applications •

- Enterprise Resource Planning
- Supply Chain & Manufacturing
- Human Capital Management
- Customer Experience

• 3rd Party Applications •

- ISV
- Custom

• Oracle Cloud Infrastructure •

- | | | | | | |
|------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|
|  |  |  |  |  |  |
| Compute | Networking | Storage | Database | Security | AI/ML |

Public Cloud Regions
Government Regions

Hybrid Cloud: Cloud@Customer, Roving Edge
Dedicated Regions, Alloy

**Based on Oracle's Enterprise Technologies,
We Expect to Increase Our Share**

**Applications:
\$265B TAM**

**Infrastructure:
\$480B TAM**

Source: IDC, Gartner, IHL, BCG, and Oracle internal analysis. Figures are rounded. "TAM" = Total Addressable Market.

**We Are a Leader in Cloud Apps,
with Increasing Momentum in Cloud Infrastructure**

FY23 Cloud Applications Organic Growth: +17%
Expanding Leadership

FY23 Cloud Infrastructure Organic Growth: +63%
Hypergrowth Mode

Note: Growth rate in constant currency (CD), non-GAAP.

Capture a Larger Share of the Cloud Applications Segment



Oracle's Cloud Applications Strategy



**Deliver industry-oriented,
end-to-end applications**



**Increase net dollar
retention rate of cloud
customers**

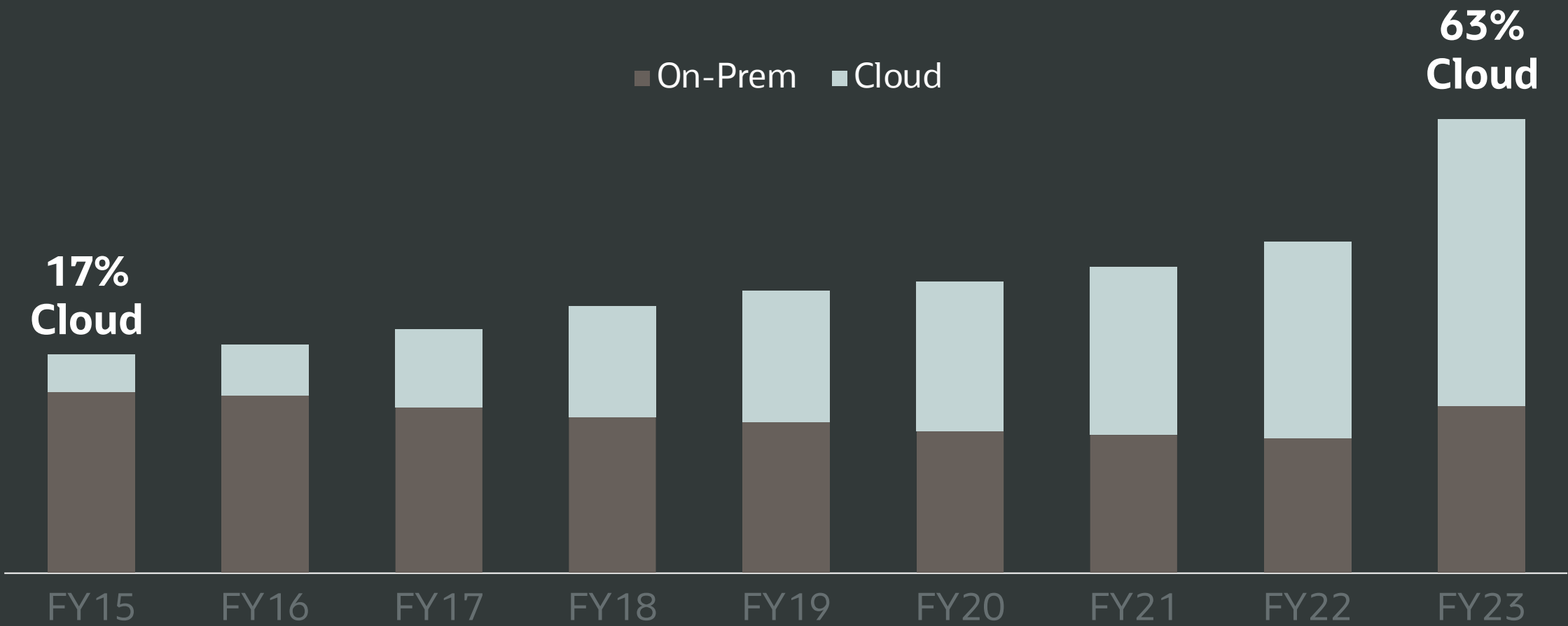


**Move our on-premise
customers to the cloud**



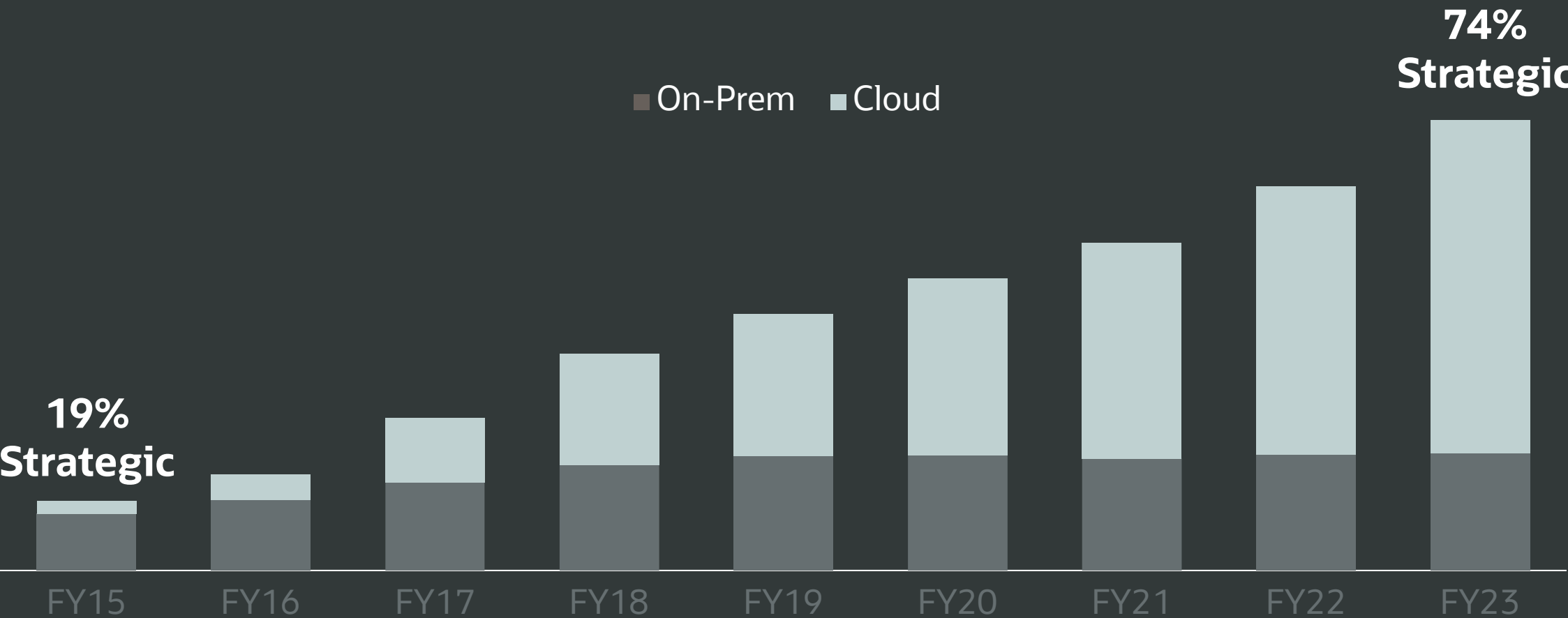
**Move competitors'
customers to the cloud**

Majority of Oracle's \$18 Billion of Applications Revenue is Now Cloud



Note: Data in constant currency (CD), non-GAAP.

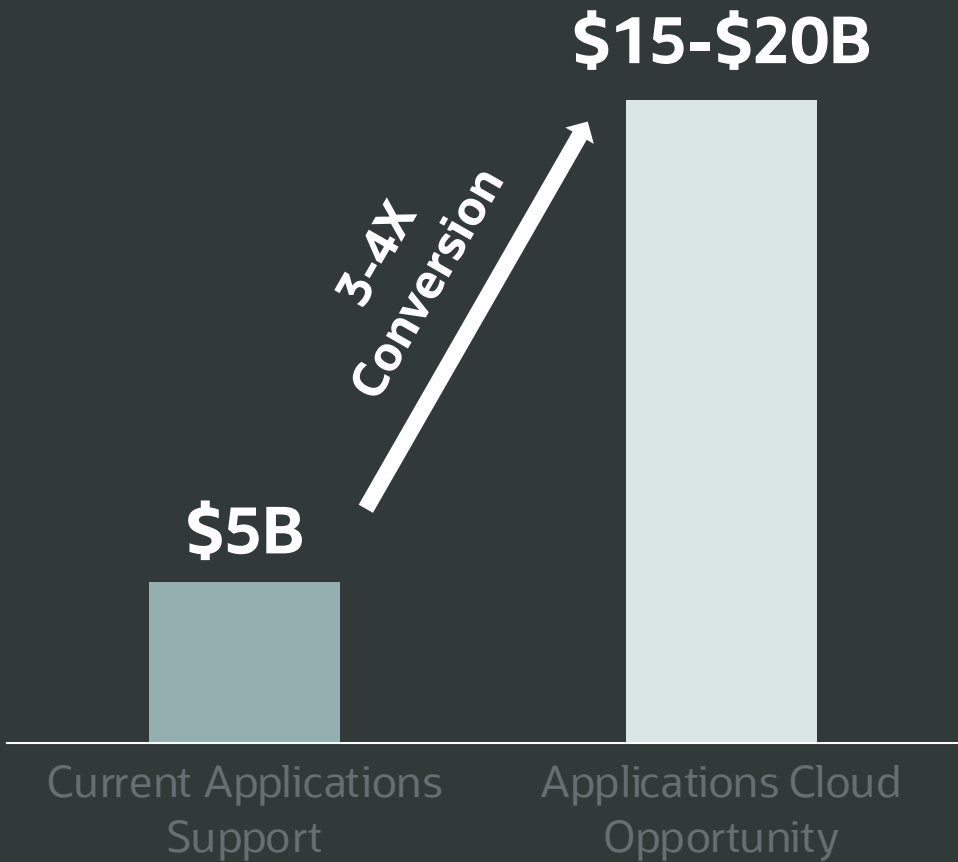
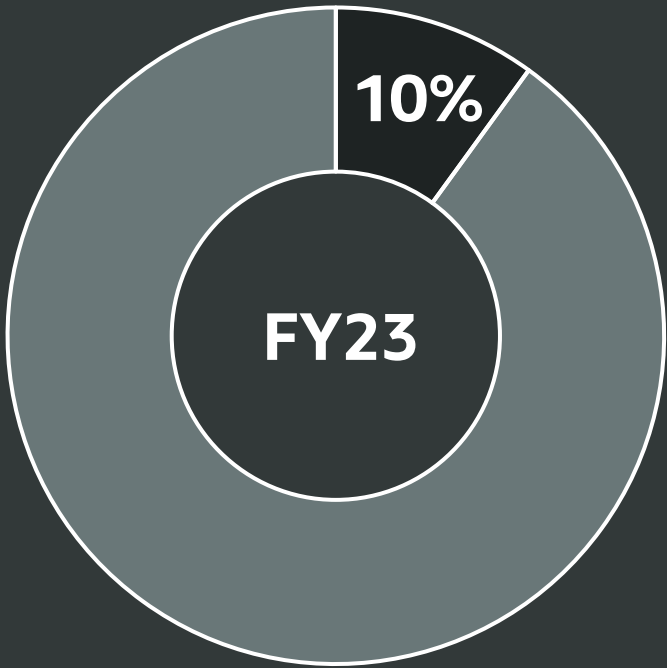
And Majority of Organic Cloud Revenue is Now Strategic, High-Growth Apps⁽¹⁾



Note: Data in constant currency (CD), non-GAAP.
(1) Figures exclude Cerner.

While the Migration of Our On-Premise Apps Customer Base is Just Beginning

% of Contracted Application Support Base that Fully Moved to Cloud⁽¹⁾



Note: Data in constant currency (CD), non-GAAP.
(1) Includes Oracle Industries & Cerner. “Fully Moved” are customers who have fully moved from on-premise to the cloud & cancelled support.

Opportunity to Convert Competitor On-Premise Install Bases as Well



EPICOR



(examples of competitors)

**\$25 Billion Estimated
Support Base⁽¹⁾**

\$25B

Competitor Apps Support Base

×

3-4x

Cloud Conversion Rate

=

\$75-\$100B

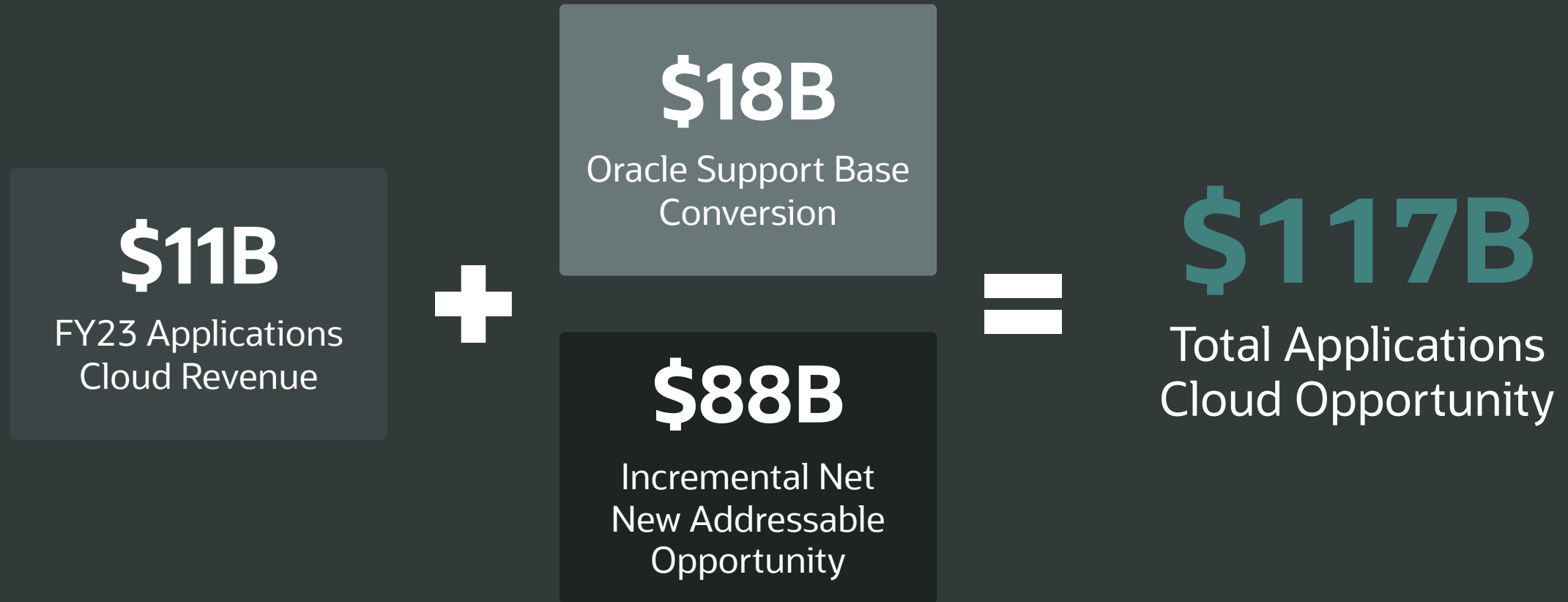
Incremental Net New
Addressable Opportunity

Source: Company filings.

Note: Data in constant currency (CD), non-GAAP.

(1) Based on IDC data for 2021 on-premise revenue for ERP, HCM and SCM. Assumes 70% of on-premise revenue is support.

In Total, Oracle's Cloud Applications Revenue Opportunity Exceeds \$115B



Capture a Larger Share of the Cloud Infrastructure Segment

A side-view mirror of a vehicle, likely a race car, showing a reflection of a Red Bull Formula 1 car. The car is black with yellow and red accents, featuring the number 11 and various sponsor logos including Cash App, Citrix, and Red Bull. The text "OBJECTS IN MIRROR ARE CLOSER THAN THEY APPEAR" is printed on the mirror's surface.

OBJECTS IN MIRROR ARE CLOSER
THAN THEY APPEAR

Oracle's Cloud Infrastructure Strategy



Build out data center footprint and cloud capabilities



Pursue multi-cloud, partner-friendly strategy

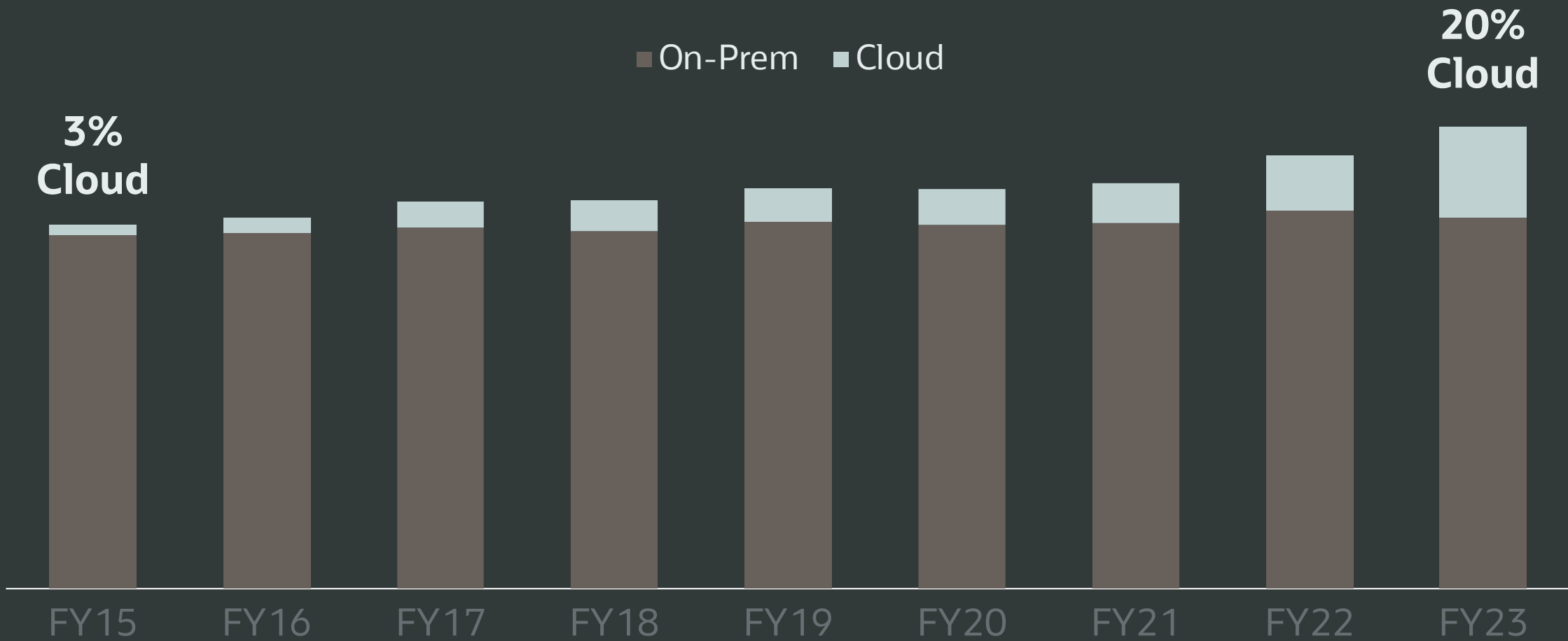


Capture more cloud native and AI workloads



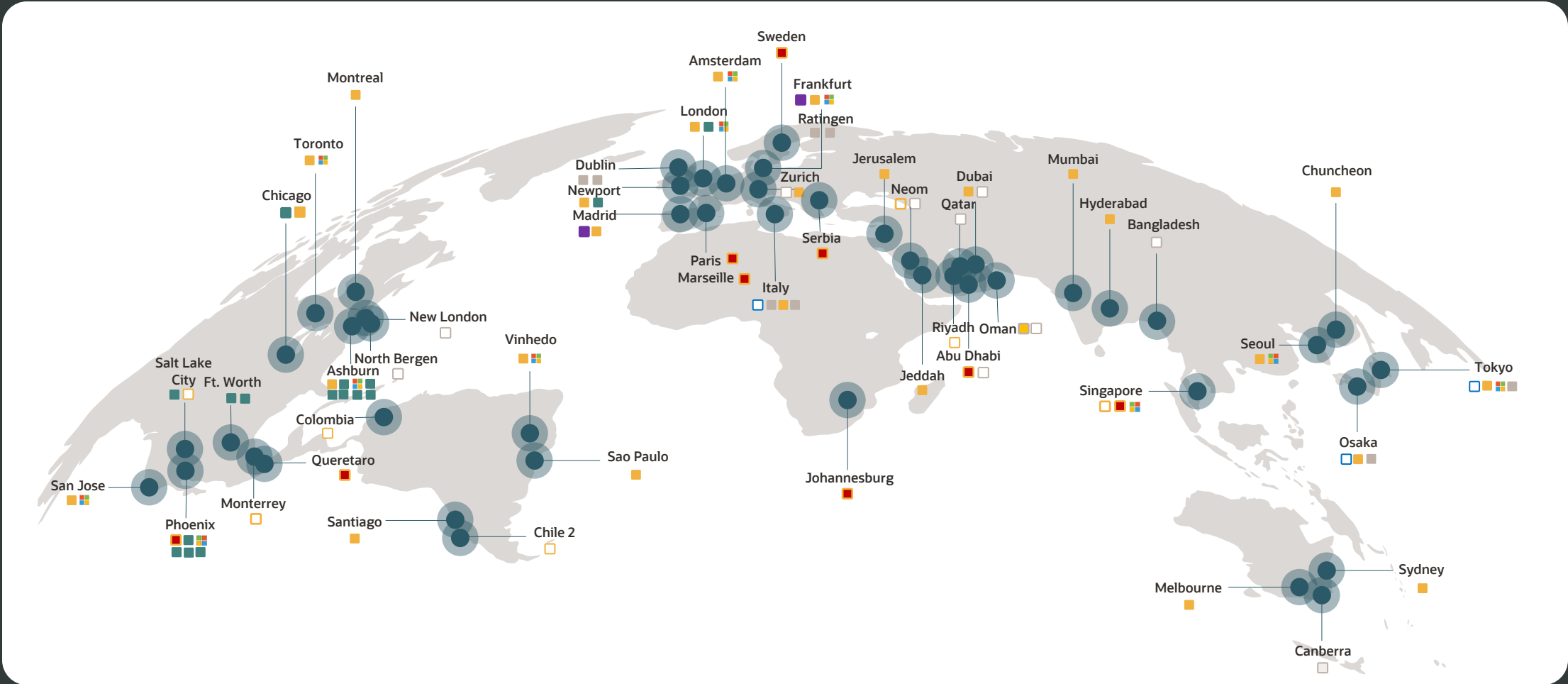
Move Oracle database customers to OCI

Cloud is Now Over 20% of Our \$23 Billion Infrastructure Business



Note: Data in constant currency (CD), non-GAAP.

Oracle's Global Footprint Comprised of 64 OCI Data Center Regions



Embracing an Open Marketplace that is Driven by Customer Choice, but Targeted for the Enterprise

Hybrid / Platform



Artificial Intelligence



Storage Management



Data, Governance

Industry ISV



Oracle's Unique Differentiation Has Been Especially Attractive to the \$185 Billion Digital Native Apps and AI Market ⁽¹⁾

Contracts worth more than \$4 billion signed with AI development companies

Digital Native Apps



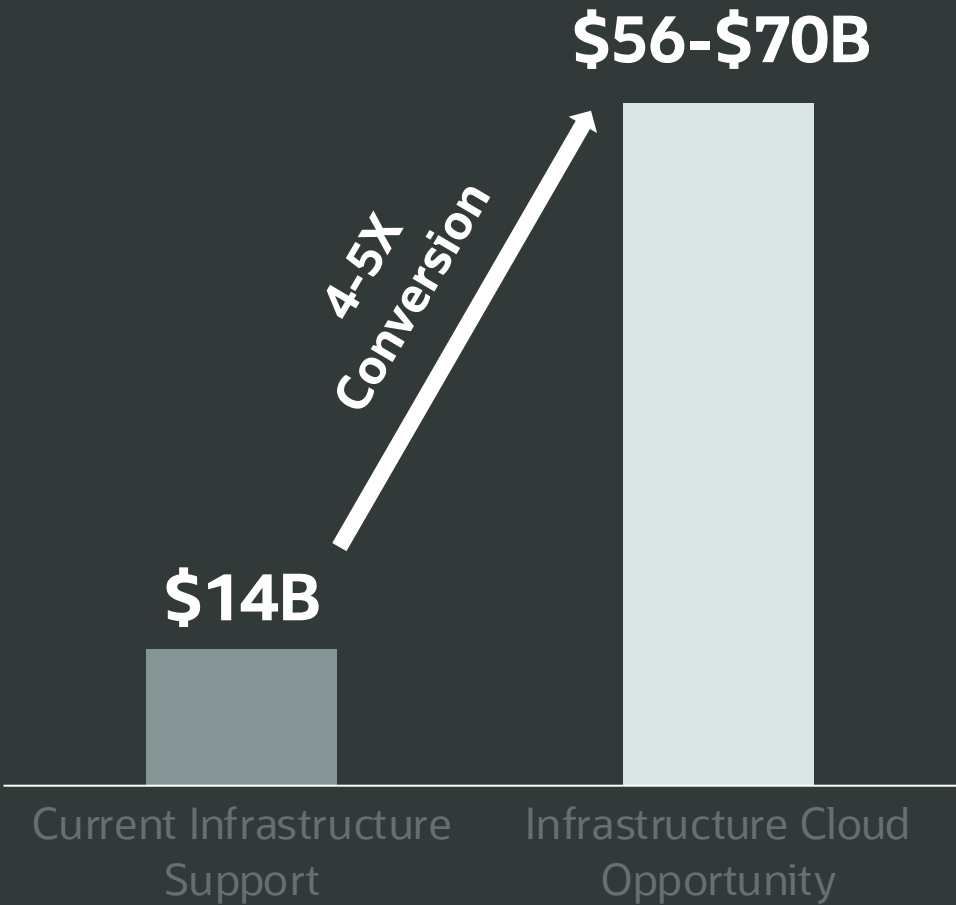
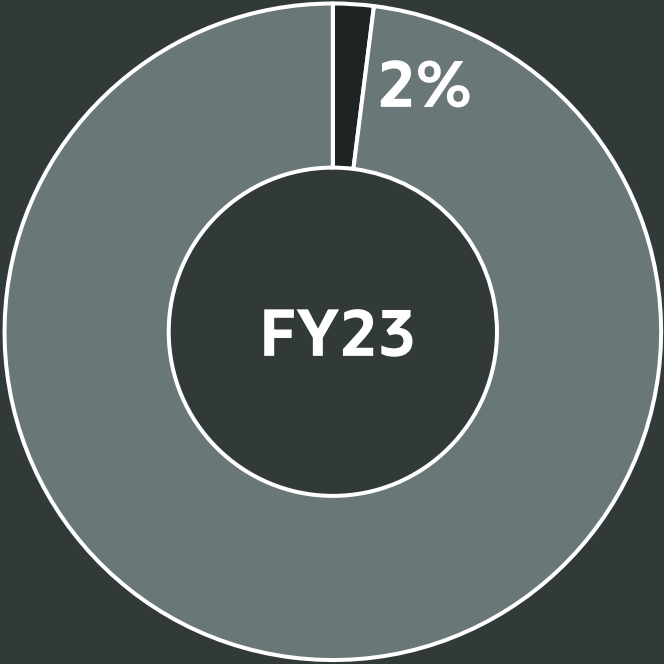
Artificial Intelligence



(1) Source for market size information: Morgan Stanley and Goldman Sachs forecasts.

Migration of Our On-Premises Customer Base is Even More Nascent than Apps

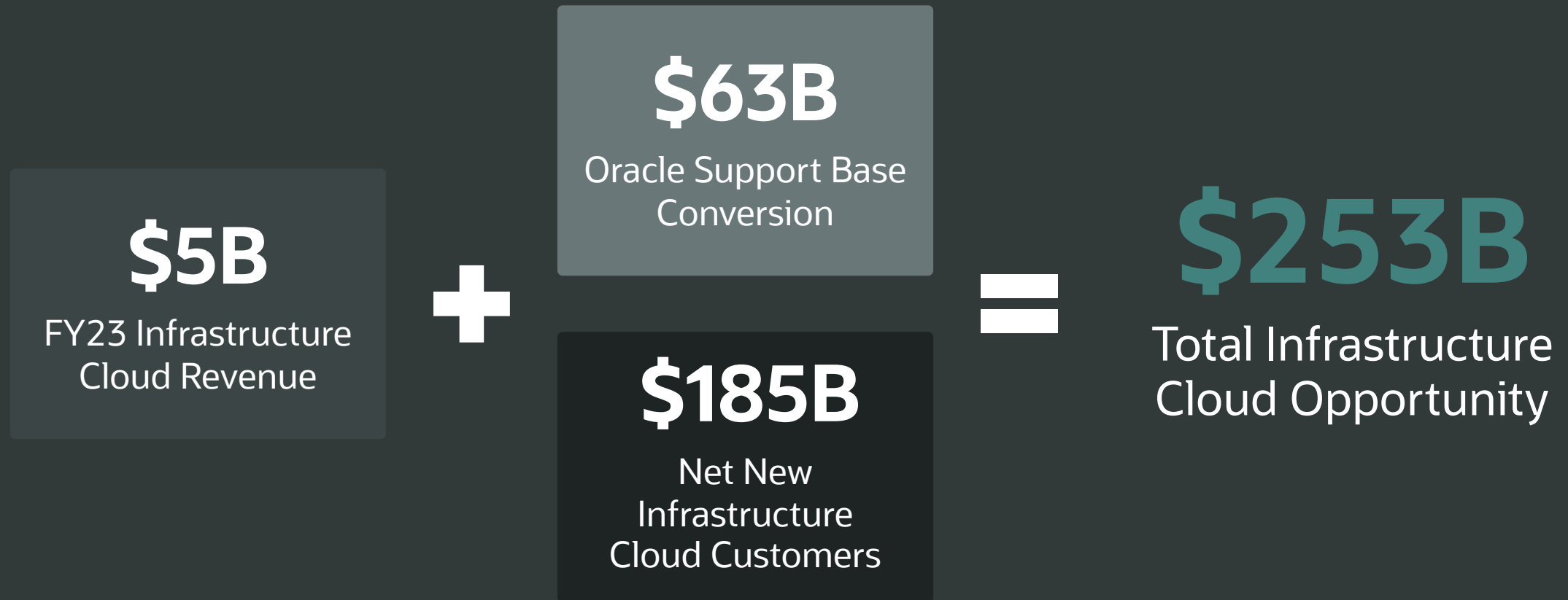
% of Contracted Infrastructure Support Base that Fully Moved to Cloud ⁽¹⁾



Note: Data in constant currency (CD), non-GAAP.

(1) “Fully Moved” are customers who have fully moved from on-premise to the cloud and are no longer paying support and also customers who have fully deployed Bring your own license (BYOL) migrations.

In Total, Oracle's Cloud Infrastructure Revenue Opportunity Exceeds \$250B

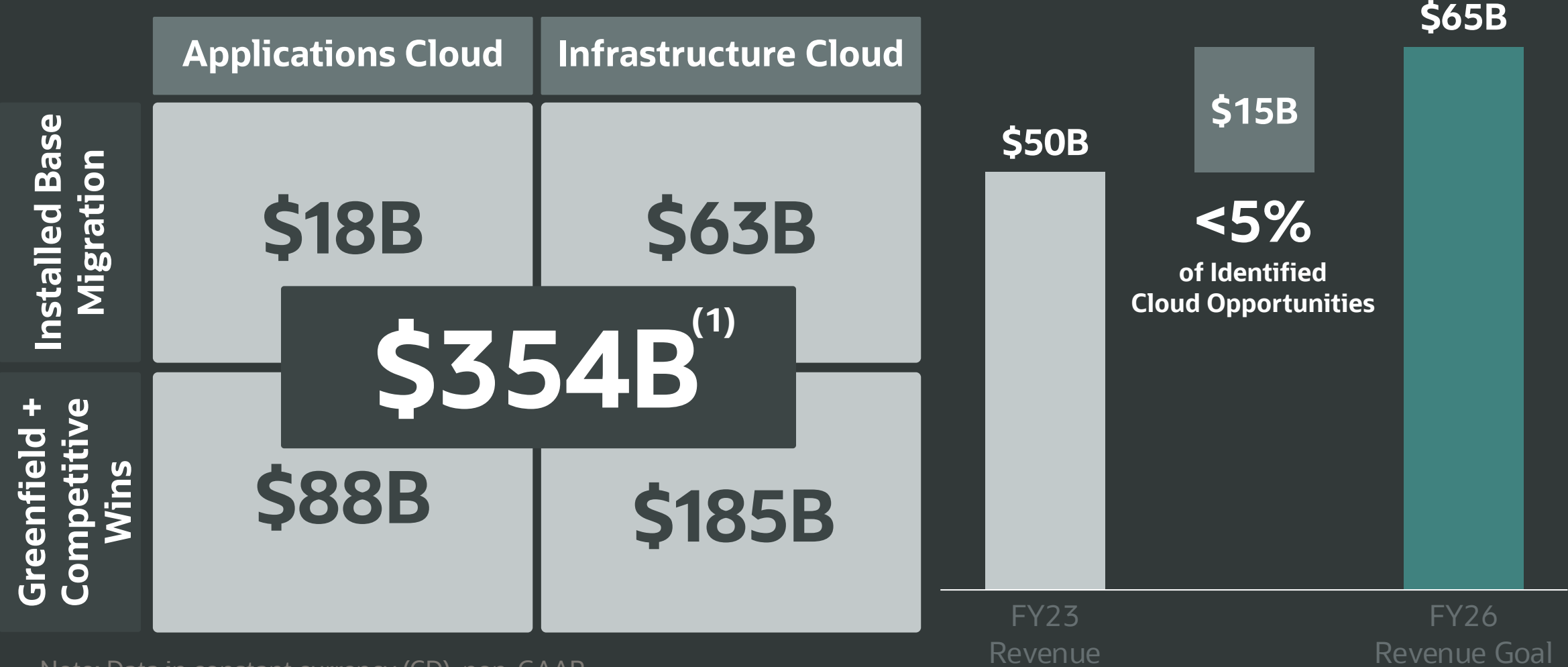


Summary

Our Confidence in Achieving Fiscal Year 2026 Goals Remains High

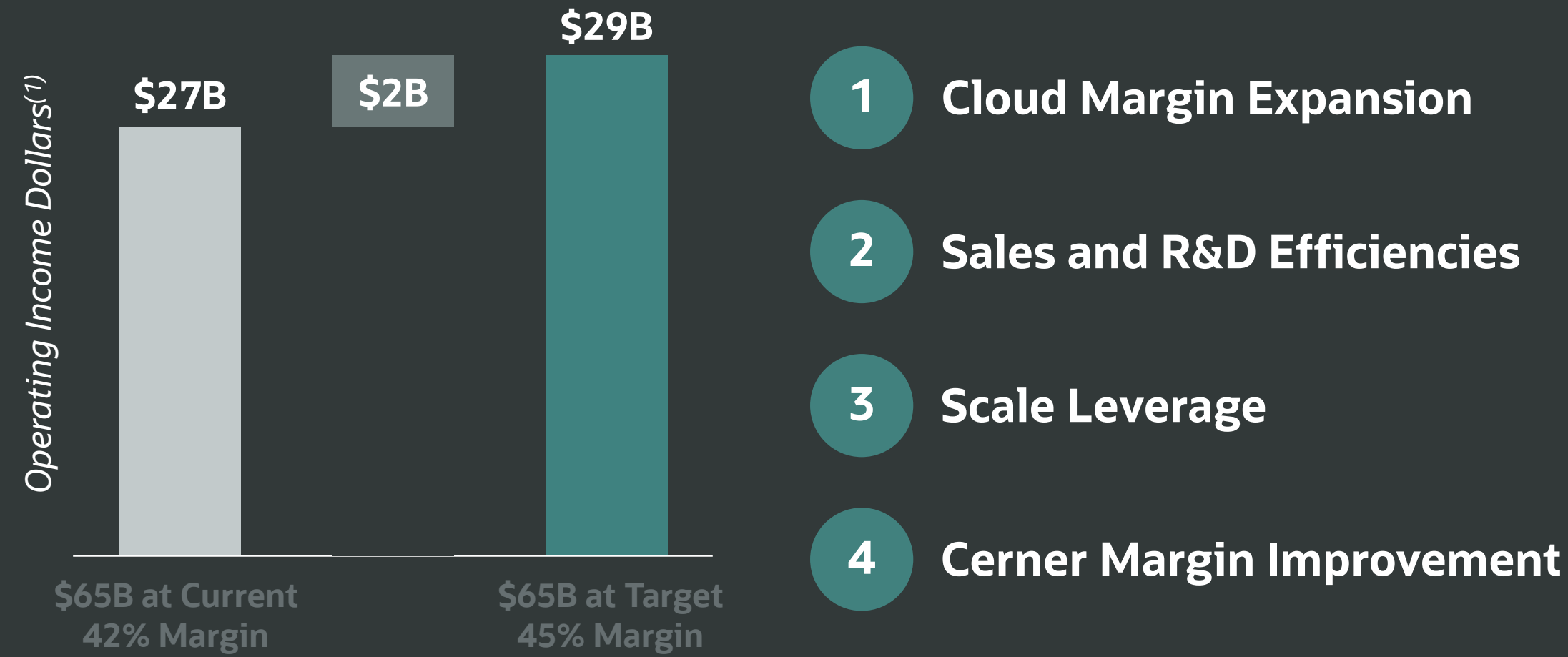
- **Expanding Oracle leadership in Cloud Applications and Industries**
 - End-to-end industry automation, with unique solutions for each industry
 - Working Analytics and AI into every discussion
- **Moving up the competitive ladder in Cloud Infrastructure**
 - Growing faster than other hyperscalers, with ambition to pass Google
 - Accelerating adoption of our database offerings
 - Extending our ecosystem with an attractive marketplace for partners
- **Growing the bottom line as our revenue scales**
 - Automating more operational activities and eliminating manual labor
 - Continuously simplifying our business model and avoiding excess complexity
 - Increasing both operating profit dollars and margin percentage

FY26 Revenue Goal Implies We Capture Less than 5% of Cloud Opportunities



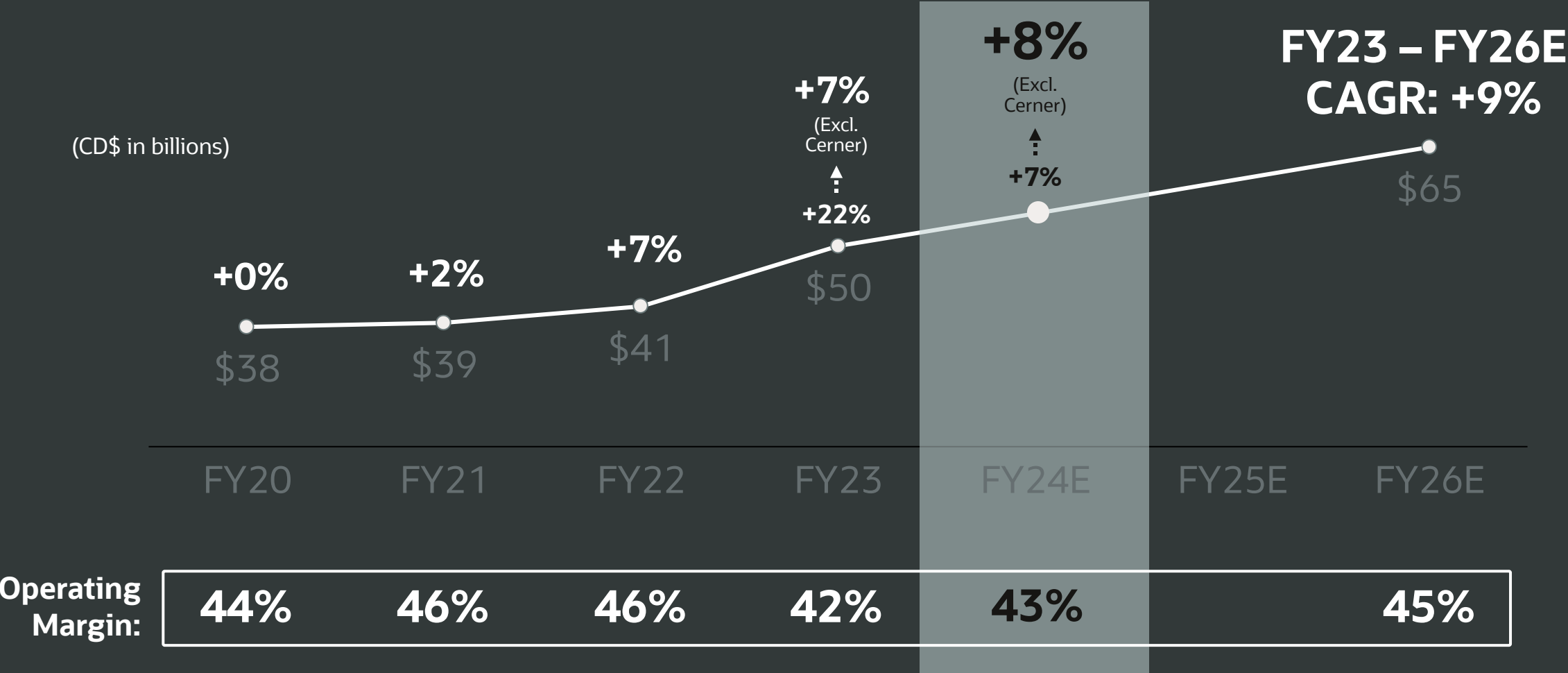
Note: Data in constant currency (CD), non-GAAP.
(1) Exclusive of FY23 Applications Cloud and Infrastructure Cloud revenue.

FY26 Operating Margin Goal Requires Just \$2B of Incremental Efficiencies



Note: Data in constant currency (CD), non-GAAP.
(1) Non-GAAP.

FY24 Is Expected to Help Maintain Our Path to FY26 Goals



Note: Data in constant currency (CD), non-GAAP.
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In Summary, Oracle Remains Committed to Fiscal Year 2026 Non-GAAP Targets

\$65B

Total Organic
Revenue

45%

Operating Margin

>10%

Annual EPS
Growth

Note: Organic revenue base includes Cerner. Operating margin includes Cerner. EPS growth rate is in constant currency.

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