

This flash report is unaudited and the translation of the Japanese language version.



Flash Report for the 3rd Quarter of Fiscal Year Ending May 31, 2008 (Non-consolidated)

March 27, 2008

Company Name Oracle Corporation Japan

Listed Stock Exchange: TSE 1st Section

Ticker: 4716

URL <http://www.oracle.co.jp/corp/index.html>

Contact & responsible personal

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Representative personal

Masaaki Shintaku, President and CEO

Contact & responsible personal

Shigeru Nosaka, Senior Executive Officer & CFO

(Amount of less than ¥1 million are rounded down)

1. Financial results for this term (from June 1, 2007 to February 29, 2008)

(1) Operating result

(% of change from previous year)

	Revenue		Operating Income		Ordinary Income		Net Income	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
3 rd Quarter, May 2008	82,601	16.9	26,905	8.3	27,265	8.7	15,961	4.5
3 rd Quarter, May 2007	70,647	11.3	24,836	17.6	25,072	18.3	15,271	23.1
May 2007	100,767		36,781		37,190		22,134	

	Net income per share		Net income per share (diluted)	
	Yen	Sen	Yen	Sen
3 rd Quarter, May 2008	125.63		125.57	
3 rd Quarter, May 2007	120.22		120.13	
May 2007	174.24		174.12	

(2) Financial Position

	Total Assets	Net assets	Ratio of shareholders' equity	Net assets per share	
	Million Yen	Million Yen	%	Yen	Sen
3 rd Quarter, May 2008	107,602	75,958	70.4	596.29	
3 rd Quarter, May 2007	99,871	74,539	74.6	586.74	
May 2007	116,839	81,463	69.7	640.67	

(3) Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash Equivalents at the end of period
	Million Yen	Million Yen	Million Yen	Million Yen
3 rd Quarter, May 2008	14,003	18,797	-21,559	27,643
3 rd Quarter, May 2007	11,738	5,720	-19,481	16,342
May 2007	23,829	-6,357	-19,435	16,401

2. Dividends

	Dividend per share	
	3 rd Quarter end	
	Yen	Sen
3 rd Quarter, May 2007	-	
3 rd Quarter, May 2008	-	

3. Forecast for the May 2008 term (from June 1, 2007 to May 31, 2008)

There's no change of the forecast announced on July 5, 2007.

(% of change from previous year)

	Revenue		Operating Income		Ordinary Income		Net Income		Net income per share	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen	Sen
Entire term	118,300	17.4	39,500	7.4	39,500	6.2	23,300	5.3	183.39	

4. Important notice for the flash report

(1) Adopted the simplified accounting method : Yes

(2) Difference in accounting policies from previous fiscal year : No

(Note) Please refer to the 3page of [Qualitative information for the financial statements]

Caution: Amount is rounded down. Above forecast is based on the information available at a time of issuance of this report, and the actual result may change by various reasons. Please refer to the 3 page of attached document for using the forecast.

[Qualitative information for the financial statements]

1. Qualitative information for the business results

During the period under review the Japanese economy, uncertainty about the future is arising as a result of faltering market conditions, concerns about sluggish U.S. economy, soaring cost of raw materials and the abrupt appreciation of the yen, among other factors.

Within this business environment, the company enjoyed expansion of the synergy effect brought by the strengthening of the cooperative operation with Oracle Information Systems (Japan), K.K. (OIS) in all segments. The company achieved revenue at 82,601 million yen (up 11,953 million yen or 16.9%, from the corresponding period of previous fiscal year), operating income was 26,905 million yen (up 2,069 million yen, 8.3% from the corresponding period of previous fiscal year), ordinary income was 27,265 million yen (up 2,192 million yen, 8.7% from the corresponding period of previous fiscal year) and net income was 15,961 million yen (up 690 million yen, 4.5% from the corresponding period of previous fiscal year).

Revenue by segments: In Software related, strong revenue growth was shown in Business Application by obtaining large deals of integrated packages of our existing products and the newly added products brought by the cooperative operation with OIS. Updates & Product Support achieved steady growth by maintaining high percentage of support contracts. Database Technology totaled small increase from the corresponding period of previous fiscal year. As a result, Software related revenue was 70,440 million yen (up 7,550 million yen, 12.0% from the corresponding period of previous fiscal year).

In Service, strong business performance was shown in all segments based on strong growth of Software related. Advanced Support, strong demand continued for 'Oracle On Demand', In Consulting Service, the Company successfully acquired the demand for consulting service and project support associated with implementation of Business Application products. Education service showed steady growth supported by the training for the employees of customers and partner companies, also fostering of the engineers with the skills for newly added products and solutions. As a result, Service revenue was 12,160 million yen (up 4,403 million yen, 56.8% from the corresponding period of previous fiscal year).

2. Qualitative information for the financial conditions

Cash generated by operating activities was 14,003 million yen, a figure that primarily reflected pretax income for the term (27,265 million yen), the decrease in sales credits (3,162 million yen), the increase in purchasing debt (2,311 million yen) and the decrease in advances by customers (1,939 million yen), offsetting the payment of income taxes (16,642 million yen).

Cash generated by investment activities was 18,797 million yen, mainly involving the redemption of marketable securities.

Cash spent on financing activities stood at 21,559 million yen, mainly on the payment of dividends.

As a result, cash and cash equivalents at the end of this 3rd Quarter are 27,643 million yen (up 11,242 million yen from the end of May 2007).

3. Qualitative information for Forecast for the May 2008 term

There's no change of the forecast announced on July 5, 2007.

4. Others

(1) Adopted the simplified accounting method

Tax expense is calculated by estimate tax effective rate.

(2) Difference in accounting policies from previous fiscal year

None

(3) Revenue breakdown by business segments

Item		FY2007 3rd Quarter		FY2008 3rd Quarter			May 2007	
		Amount Million Yen	Composition %	Amount Million Yen	Composition %	Variance %	Amount Million Yen	Composition %
	Database Technology	28,659	40.6	29,086	35.2	1.5	42,084	41.8
	Business Applications	2,884	4.1	3,974	4.8	37.8	5,371	5.3
	Software Product	31,543	44.6	33,061	40.0	4.8	47,455	47.1
	Updates & Product Support	31,345	44.4	37,378	45.3	19.2	42,525	42.2
	Software related sub total	62,889	89.0	70,440	85.3	12.0	89,981	89.3
	Advanced Support	1,033	1.5	1,447	1.8	40.1	1,467	1.5
	Education services	1,560	2.2	1,853	2.2	18.8	2,113	2.1
	Consulting services	5,164	7.3	8,860	10.7	71.6	7,205	7.2
	Service sub total	7,757	11.0	12,160	14.7	56.8	10,786	10.7
	Total	70,647	100.0	82,601	100.0	16.9	100,767	100.0

*Amount is rounded down. Composition ratio and year-to-year comparison (Variance) are rounded off.

5. (Summary) Financial Statements

(1) (Summary) Balance Sheet

(Unit : Million yen)

Terms Items	Previous term end (as of February 28, 2007)		Current term end (as of February 29, 2008)		May 2007 (Summary) (as of May 31, 2007)		Changes
	Amount	Ration	Amount	Ration	Amount	Ration	Amount
(Assets)		%		%		%	
I Current assets							
1. Cash and deposits	9,645		24,644		13,902		10,741
2. Notes receivable and accounts receivable	11,236		13,164		16,327		-3,162
3. Securities	63,201		45,944		63,264		-17,320
4. Others	3,193		1,881		2,685		-803
Total current assets	87,276	87.4	85,634	79.6	96,180	82.3	-10,545
II Fixed assets							
1. Property and equipment							
(1) Construction in progress	7,862		16,711		15,663		1,048
(2) Others	1,013		1,233		1,023		210
Total property and equipment	8,875	8.9	17,944	16.7	16,686	14.3	1,258
2. Intangible fixed assets	10	0.0	8	0.0	11	0.0	-2
3. Investments and other assets	3,708	3.7	4,015	3.7	3,961	3.4	53
Total fixed assets	12,595	12.6	21,968	20.4	20,659	17.7	1,309
Total assets	99,871	100.0	107,602	100.0	116,839	100.0	-9,236
(Liabilities)							
I Current liabilities							
1. Accounts payable	3,875		7,167		4,855		2,311
2. Accrued amount payable	3,100		5,451		2,664		2,787
3. Accrued income taxes	3,669		3,147		9,105		-5,958
4. Advances by customers	12,159		12,799		14,738		-1,939
5. Allowance for bonus payable	740		914		1,539		-624
6. Allowance for directors bonus payable	72		48		72		-24
7. Provision for moving of head office	—		535		—		535
8. Others	1,714		1,580		1,864		-283
Total current liabilities	25,332	25.4	31,644	29.4	34,840	29.8	-3,196
II Non-current liabilities							
Provision for moving of head office	—		—		535		-535
Total non-current liabilities	—	—	—	0.0	535	0.5	-535
Total liabilities	25,332	25.4	31,644	29.4	35,375	30.3	-3,731
(Net assets)							
I Shareholders' equity							
1. Capital stock	22,193	22.2	22,245	20.7	22,214	19.0	31
2. Capital surplus	33,631	33.7	33,683	31.3	33,652	28.8	31
3. Earned surplus	18,570	18.6	19,796	18.4	25,434	21.8	-5,637
4. Treasury stock	-6	-0.0	-13	-0.0	-9	-0.0	-4
Total shareholders' equity	74,389	74.5	75,712	70.4	81,291	69.6	-5,578
II Difference of appreciation and conversion							
Unrealized gain on other securities, net of taxes	117	0.1	55	0.0	106	0.1	-51
Total difference of appreciation and conversion	117	0.1	55	0.0	106	0.1	-51
III Stock acquisition right	32	0.0	190	0.2	65	0.0	124
Total net assets	74,539	74.6	75,958	70.6	81,463	69.7	-5,505
Total liabilities and net assets	99,871	100.0	107,602	100.0	116,839	100.0	-9,236

(2) (Summary) Statement of Income

(Unit : Million yen)

Terms Items	Previous term (From June 1, 2006 to February 28, 2007)		Current term (From June 1, 2007 to February 29, 2008)		Changes Amount	May 2007 (Summary) (From June 1, 2006 to May 31, 2007)	
	Amount	Ratio	Amount	Ratio		Amount	Ratio
I Revenues	70,647	100.0	82,601	100.0	11,953	100,767	100.0
II Cost of sales	28,343	40.1	36,233	43.9	7,890	40,228	39.9
Gross Profit	42,304	59.9	46,367	56.1	4,063	60,539	60.1
III Selling, general and administrative expenses	17,467	24.7	19,462	23.5	1,994	23,758	23.6
Operating income	24,836	35.2	26,905	32.6	2,069	36,781	36.5
IV Non-operating income	257	0.3	369	0.4	112	431	0.4
V Non-Operating Loss	20	0.0	10	0.0	-10	22	0.0
Ordinary Income	25,072	35.5	27,265	33.0	2,192	37,190	36.9
VI Extraordinary Income	920	1.3	—	—	-920	977	1.0
VII Extraordinary Loss	19	0.0	—	—	-19	554	0.6
Net Income before Tax	25,973	36.8	27,265	33.0	1,291	37,613	37.3
Income taxes	10,702	15.2	11,303	13.7	600	15,478	15.3
Net Income	15,271	21.6	15,961	19.3	690	22,134	22.0