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FY08 1st half result

December 21, 2007
Oracle Corporation Japan



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FY08 1st half result year end forecast

Shigeru Nosaka
CFO
Oracle Corporation Japan

Highlight

FY08 H1 result

- Record-high numbers for;

- Revenue +18.8%
- Net income +7.0%
- Interim dividend

FY08 Year end forecast

- No change from the current forecast

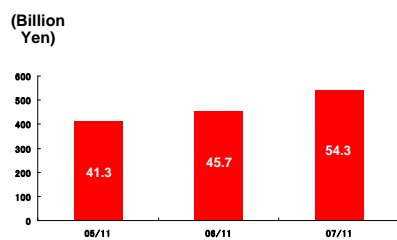
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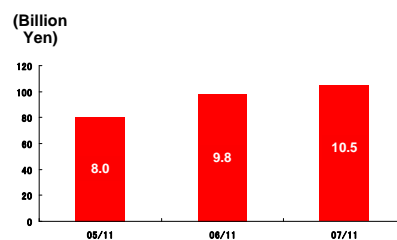
1

Highlight

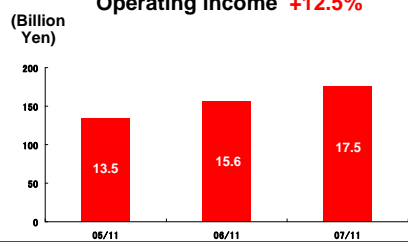
Revenue +18.8%



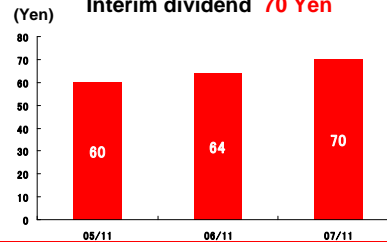
Net income +7.0%



Operating income +12.5%



Interim dividend 70 Yen



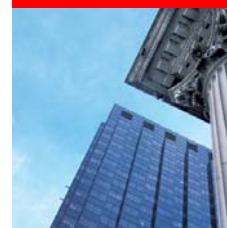
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*Figures are rounded off

2

Overview of 1st half result



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3

FY08 1st half result

(Million Yen)

	06/11	07/11 Forecast	07/11	Y to Y
Revenue	45,785	53,700	54,386	+18.8%
Operating income	15,639 34.2%	17,000 31.7%	17,597 32.4%	+12.5% -1.8pts.
Ordinary income	15,809 34.5%	17,000 31.7%	17,866 32.9%	+13.0% -1.6pts.
Net income	9,822 21.5%	10,100 18.8%	10,512 19.3%	+7.0% -2.2pts.
EPS	¥77.33	¥79.50	¥82.74	+¥5.41
Employees	1,602	-	2,060	+458

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4

Revenue by segment

(Million Yen)

	06/11	07/11 Forecast	07/11	Y to Y
Database Technology	17,873	19,000	19,135	+7.1%
Business Applications	2,241	4,700	2,770	+23.6%
Update & Products support	20,652	23,200	24,870	+20.4%
Software related sub total	40,767	46,900	46,775	+14.7%
Advanced Support	676	900	915	+35.3%
Education	1,044	1,100	1,239	+18.6%
Consulting	3,296	4,800	5,456	+65.5%
Service related sub total	5,017	6,800	7,610	+51.7%
TOTAL	45,785	53,700	54,386	+18.8%

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5

Cost of goods, SG & A

(Billion Yen)

Item	06/11	07/11	Vari.	Comments
Cost of goods	18.3	23.5	+5.2	Increase of labor cost and outsourcing due to the expansion of Consulting business
Royalty	14.3	16.9	+2.5	
Labor cost	2.4	4.1	+1.6	
Outsourcing	0.8	1.5	+0.6	
Rent	0.2	0.3	+0.0	
Others	0.3	0.6	+0.3	
SG & A	11.8	13.2	+1.4	Labor cost increases due to the growth of employees in charge of sales
Labor cost	5.9	6.9	+1.0	
Outsourcing	1.4	1.8	+0.3	
PR & Marketing	1.0	1.1	+0.0	
Rent	0.9	0.9	+0.0	
Others	2.3	2.2	-0.1	

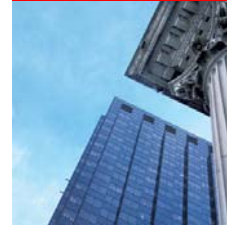
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6

FY08 forecast



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FY08 Forecast

No change from current forecast

(Million Yen)

	1st half result		Full year forecast	
	Figures	Y to Y	Forecast	Y to Y
Revenue	54,386	+18.8%	118,300	+17.4%
Operating income	17,597	+12.5%	39,500	+7.4%
Ordinary income	17,866	+13.0%	39,500	+6.2%
Net income	10,512	+7.0%	23,300	+5.3%
Dividend per share	¥70.00	+¥6.00	¥173.00	+¥9.00

*Full year EPS forecast: ¥183.39

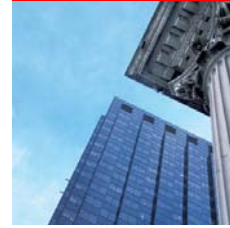
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8

Appendix



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9

FY08 Q2 result

(Million Yen)

	FY07 Q2	FY08 Q2	Y t Y
Revenue	25,197	29,562	+17.3%
Operating income	9,080	9,768	+7.6%
Ordinary income	9,144	9,882	+8.1%
Net income	5,913	5,825	-1.5%

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10

FY08 Q2 revenue by segment

(Million Yen)

	FY07 Q2	FY08 Q2	Y to Y
Database Technology	10,272	11,577	+12.7%
Business Applications	1,785	1,191	-33.3%
Update & Products support	10,494	12,690	+20.9%
Software related sub total	22,552	25,459	+12.9%
Advanced Support	342	493	+44.3%
Education	494	603	+22.0%
Consulting	1,808	3,006	+66.3%
Service related sub total	2,645	4,103	+55.1%
TOTAL	25,197	29,562	+17.3%

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11

Cautious Statements for the forecast

Statements in this document with respect to Oracle Corporation Japan (OCJ)'s current plans, estimates, strategies and beliefs and other statements that are not historical facts are forward-looking statements about the future performance of OCJ. These statements are based on OCJ's assumptions and beliefs in light of the information currently available to it. OCJ cautions you that a number of important risks and uncertainties could cause actual results to differ materially from those forward-looking statements.

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12



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FY08 1st half overview and 2nd half strategy
Masaaki Shintaku
President & CEO
Oracle Corporation Japan



FY08 1st half overview and 2nd half strategy

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1

FY08 1st half highlight

- 1 Record-high revenue and income for 3 consequent terms
- 2 Keeping higher profitability
- 3 Synergy effect from new structure

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2

Toward 2nd half

Total Value Proposition

Platform strategy

Providing a full stack of enterprise software to businesses of all sizes and enabling the customers' business process innovation

Delivery structure

-Leverage service businesses by enhancing new licenses revenue
- Strengthen of "hybrid model"

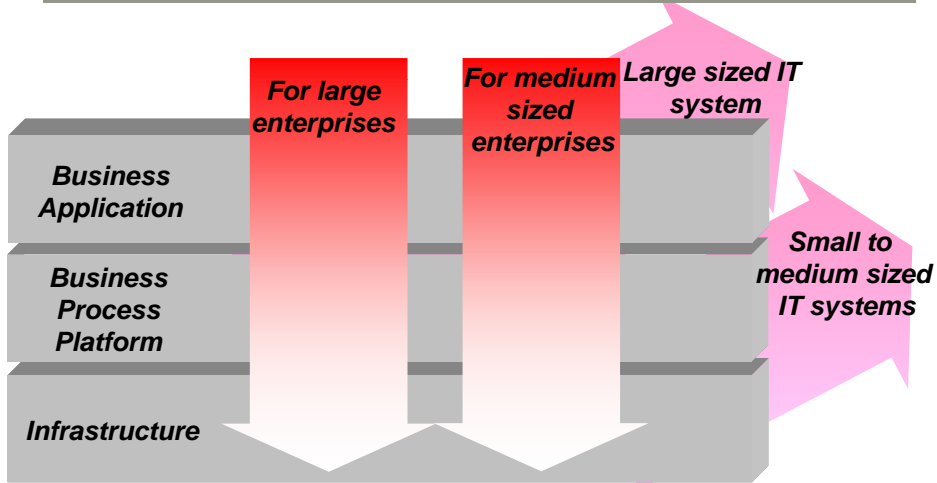
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3

Total Value Proposition

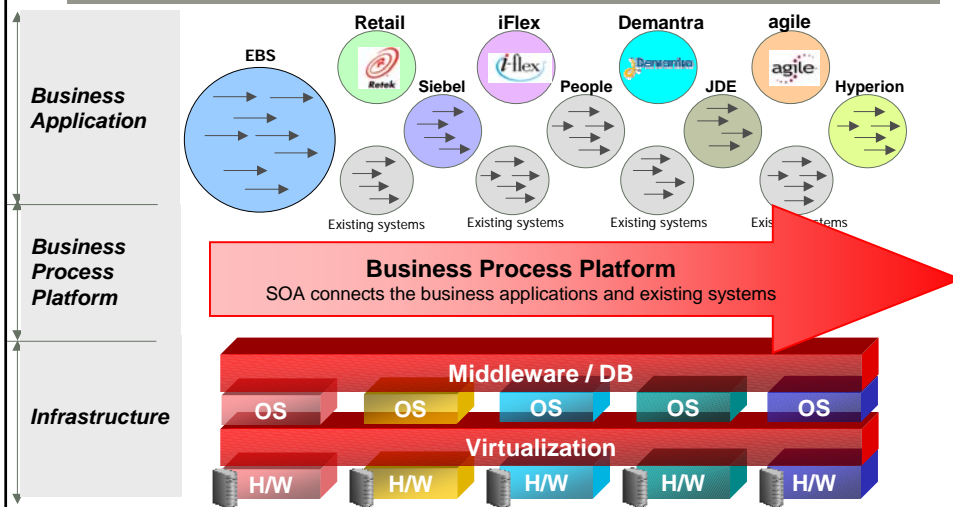
Offering solution platform and establishing delivery structure for every class of customers and systems



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Platform strategy

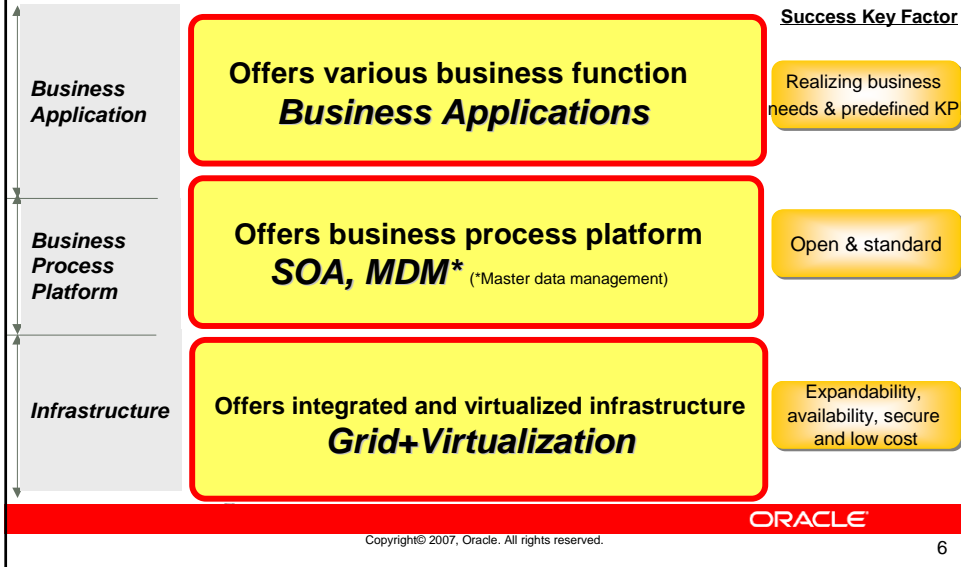
Expansion and cooperation of top tier business applications



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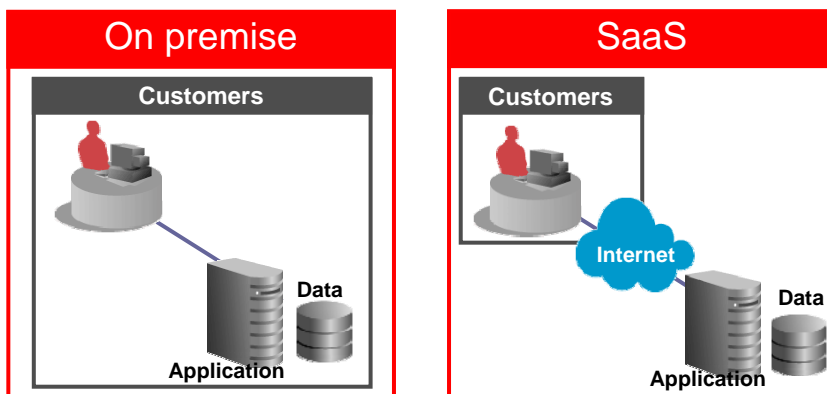
Platform strategy

Expansion and cooperation of top tier business applications

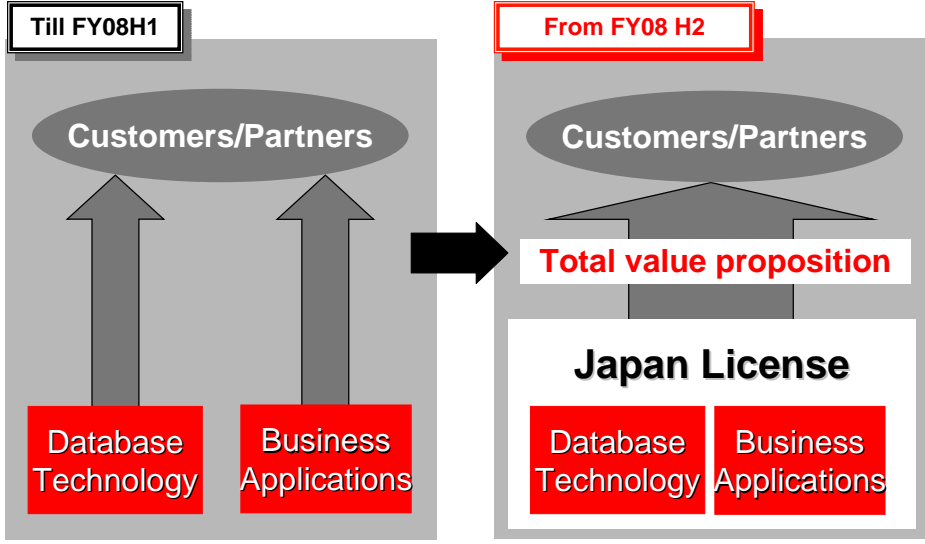


Hybrid model - Supporting “on premise” and “SaaS”

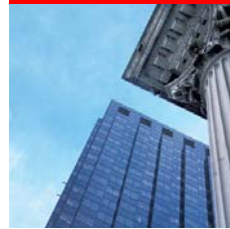
Offering both “On Premise” and “SaaS” model



Delivery

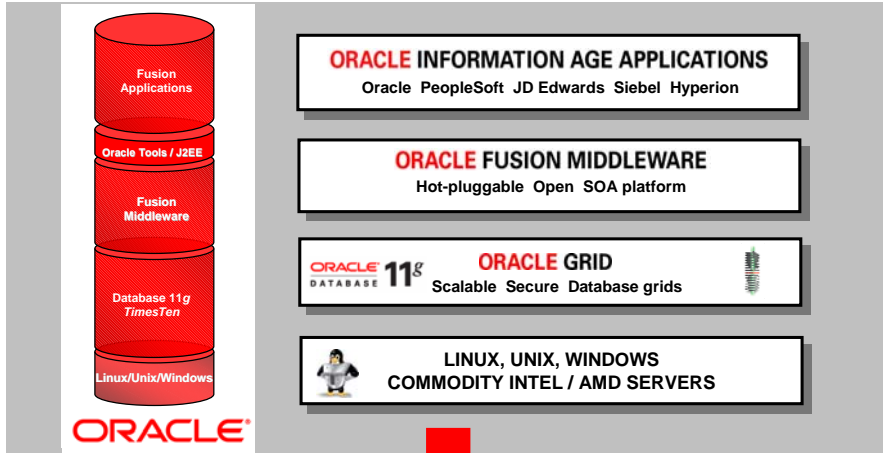


Appendix



Oracle's "stack" is more compelling

FYI



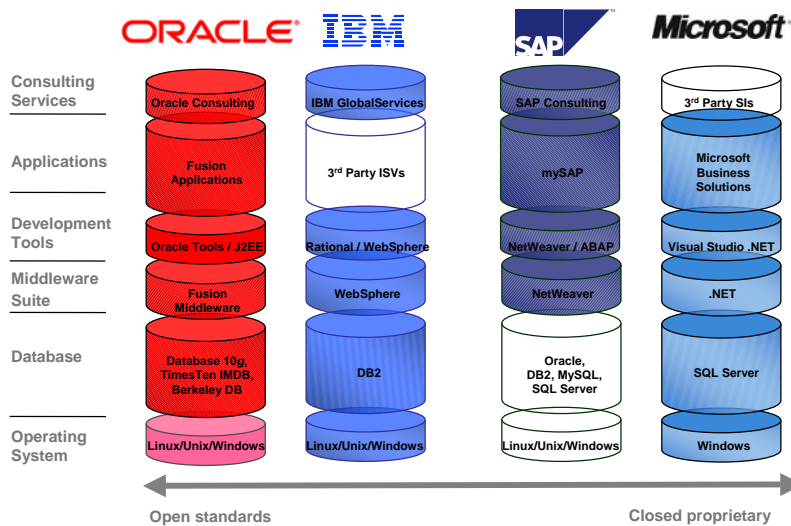
Growth through "Innovation & Acquisition"

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Oracle's "stack" is more compelling

FYI



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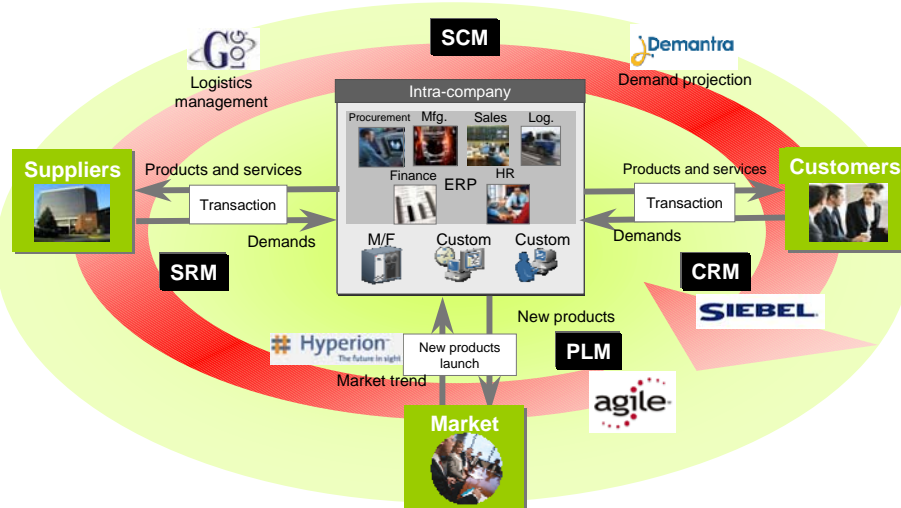
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Next ERP = 「Outside In」

FYI

For further growth - Adaptation to the environmental changes

Optimization of inter-enterprise information will bring fusion of information, growth of productivity, competitive advantage and create products and services with high added value



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12

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12