

(Translation purposes only)

Quarterly Securities Report

Business year from June 1, 2017
(33rd business term) to August 31, 2017

Oracle Corporation Japan

(E05027)

(Translation purposes only)

33rd business term (from June 1, 2017 to August 31, 2017)

Quarterly Securities Report

1. The original text of the Practical Guidance is prepared in the Japanese language, and this translation is to be used solely as reference material to aid in the understanding of the Practical Guidance. For all purposes of interpreting and applying the Practical Guidance, users should consult the original Japanese texts available on the following website;
http://www.oracle.co.jp/corp/IR/doc/201710/FY18Q1_Qreport_web.pdf
2. In addition to a review report that has been attached to the Quarterly Securities Report, this document also includes a confirmation document at the end of the report.

(Translation purposes only)

Contents

	Page
【Title page】	1
Part 1 【Information About the Company】	2
I 【Company Overview】	2
1. 【Movements in Key Performance Indicators, etc.】	2
2. 【Details of Business】	2
II 【Status of Business】	3
1. 【Business Risks】	3
2. 【Important Agreements for Business, etc.】	3
3. 【Analysis of Financial Status, Results of Operation, Cash Flow Status】	3
III 【Status of Submitting Company】	6
1. 【Status of stocks, etc.】	6
2. 【Status of Directors】	7
IV 【Financial Status】	8
1. 【Quarterly Financial Statements】	9
2. 【Others】	15
Part 2 【Information on Guarantor Companies, etc. for Submitting Company】	16

Independent Auditor's Review Report

Confirmation Document

(Translation purposes only)

【Title Page】

【Submitted document】	Quarterly Securities Report
【Text used as grounds for document】	Article 24-4-7 (1) of the Financial Instruments and Exchange Act
【For submission to】	Kanto Finance Bureau
【Date of submission】	October 13, 2017
【Business year】	33 rd (beginning June 1, 2017 and ending August 31, 2017)
【Company name】	ORACLE CORPORATION JAPAN
【Company name in English】	ORACLE CORPORATION JAPAN
【Name and title of representative】	Tadahiro Kaneko, Representative Executive Officer, Chief Legal Officer
【Current location of head office】	2-5-8 Kita-Aoyama, Minato-ku, Tokyo
【Phone】	813(6834)6666
【Name of administrative contact】	Shigeru Nosaka, Executive Officer, Deputy President and CFO
【Location of nearest contact】	2-5-8 Kita-Aoyama, Minato-ku, Tokyo
【Phone】	813(6834)6666
【Name of administrative contact】	Shigeru Nosaka, Executive Officer, Deputy President and CFO
【Location subjected to inspection】	Tokyo Stock Exchange, Inc. (2-1 Kabuto-cho, Nihombashi, Chuo-ku, Tokyo)

(Translation purposes only)

Part 1 【Information About the Company】

I 【Company Overview】

1. 【Movements in Key Performance Indicators, etc.】

Status of submitting company

Term	32 nd 1 st Quarter	33 rd 1 st Quarter	32 nd
Closing month/year	From June 1, 2016 to August 31, 2016	From June 1, 2017 to August 31, 2017	From June 1, 2016 to May 31, 2017
Revenue (million yen)	38,591	41,526	173,190
Ordinary income (million yen)	11,151	12,230	52,502
Net income (million yen)	7,795	8,478	36,360
Return on investment with application of equity method (million yen)	-	-	-
Capital stock (million yen)	23,375	24,074	23,755
Total numbers of shares outstanding (thousand shares)	127,572	127,844	127,728
Net assets (million yen)	77,216	100,153	105,783
Total assets (million yen)	158,133	188,748	198,731
Net income per share (yen)	61.15	66.43	285.11
Net income per share (diluted) (yen)	61.02	66.29	284.55
Dividends per share (yen)	-	-	114
Ratio of shareholders' equity (%)	48.4	52.9	52.9

(Note)

1. Our company does not compile consolidated financial statements; thus it does not mention movements in consolidated business benchmarks, etc.
2. Sales amounts do not include consumption tax, etc.
3. Return on investment in the event of the use of an equity method is not indicated as the company has no affiliated companies.
4. Posted as treasury stock included in shareholders' equity, the treasury shares which remain in the BIP trust and the ESOP trust are included in the treasury stock to be deducted in the calculation of the number of average shares outstanding during the term in order to calculate the net income per share and net income per share (diluted) .

2. 【Details of Business】

In the three months ended August 31, 2017, there were no significant changes in the contents of the businesses operated by the Company and the Group belongs to.

(Translation purposes only)

II 【Status of Business】

1. 【Business Risks】

For the three-months period ended August 31, 2017, there is no significant changes in business risks which were described on our Annual Securities Report for the year ended May 31, 2017.

2. 【Important Agreements for Business, etc.】

Our company has signed sales agency agreements with sales agents (partners) and main items are as indicated below:

Partner	Applicable products	Date of agreement	Period under agreement
NEC Corporation	Software	August 25, 2017	From September 1, 2017 to May 31, 2018
	Hardware		
	Cloud services		
	Primary maintenance services and SI support services for engineered system products		

3. 【Analysis of Financial Status, Results of Operation, Cash Flow Status】

The various quarterly financial sheets, etc. of our company have been compiled based on accounting standards which are generally recognized as fair and reasonable in our country. The compilation of these quarterly financial sheets, etc. require assets and debts as of the final day of the period and hypotheses and estimates within the accounting period which could impact revenue and costs. While an estimate may have been considered reasonable based on past situations and experiences, they may vary from actual results due to changes in hypotheses or criteria. Matters regarding the future stated in this document are based on the judgment of the Company as of August 31, 2017.

(1) Analysis of Financial Status

(i) Results of Operation

During the first quarter under review (from June 1, 2017 to August 31, 2017, hereinafter “this quarter”), the Japanese economy improved moderately on the back of its monetary and economic policies. However, uncertainty over the economic outlook increased due to the instability of U.S. policy management and an increase in geopolitical risks.

Japanese society faces challenges with respect to corporate activities such as a decline in the working population, the implementation of measures for globalization and the development of new businesses. It is important to work to solve these issues by making the most of digital technology.

With the goal of becoming the number one cloud company by 2020, the Company has been promoting its businesses in line with its management policies, which consist of promoting a Journey to the Cloud, an approach to promote the use of the cloud among client companies, strengthening enterprise sales activities, an undertaking for the creation of large-scale projects, and strengthening employee engagement, namely the source of corporate vitality.

Under these circumstances, the Company posted revenue of 41,256 million yen (up 6.9 % year on year), operating income of 12,288 million yen (rising 8.8 %), ordinary income of 12,230 million yen (gaining 9.7 %) and net income of 8,478 million yen (increasing 8.8 %).

(ii) Results by Reported Segment

[Cloud & Software *]

* The Company has implemented an organizational change by integrating the New software licenses, the Cloud (SaaS/PaaS/IaaS) segment and the Software license updates & product support segment as the Cloud and software segment.

Revenue in the Cloud & Software segment was 31,999 million yen, up 7.6 % from the corresponding period of the previous fiscal year. Revenue in the New software licenses was 7,879 million yen (gaining 2.6 % year on year), revenue in Software license updates & product support was 21,396 million yen (increasing 5.4% year on year), and revenue in the Cloud (SaaS/PaaS/IaaS) was 2,723 million yen (rising 53.9 % year on year).

This segment consists of the New software licenses that sells new licenses for database management software, a range of middleware, and ERP and other business applications, etc. Software license updates & product support that updates software for customers using the Company’s software licenses and provides technical support, and the Cloud (SaaS/PaaS/IaaS) provides services to access to select Oracle software applications, software platforms and resources of hardware via the Internet.

(Note 1) SaaS: Stands for “Software as a Service,” and refers to services that offer financial accounting, salary/personnel management, and other functions of software that are provided via the Internet.

(Note 2) PaaS: Stands for “Platform as a Service,” and refers to services that offer database management software for the construction and operation of the IT systems and middle layer software that ensure the smooth linkage between different software that are provided via the Internet.

(Note 3) IaaS: Stands for “Infrastructure as a Service,” and refers to services that offer infrastructure that are provided via the Internet for the construction and operation of IT systems, such as server machines, storage devices, and other hardware and networks.

(Translation purposes only)

< Cloud (SaaS/PaaS/IaaS)>

In SaaS, demand continued to grow for the ERP and EPM Cloud that provides solutions for global indirect purchases and integrated accounting aimed at strengthening competitiveness and improving efficiency.

In PaaS/IaaS, there were increasing inquiries about the Company's PaaS products that facilitate links among devices and systems for IoT solutions in the manufacturing industry and inquiries about the Oracle Cloud at Customer, which provides Oracle's public IaaS and PaaS from customers' data centers that have a cloud environment installed by the Company.

< New software licenses >

For many years, our New Software Licenses products have been widely used in mission critical areas that require advanced security, high availability, and high-speed processing.

Oracle Cloud, on which we are currently focusing as the next growth segment, has been developed based on the same architecture and technology as this New Software Licenses segment. This allows collaboration and bidirectional migration between on-premises (*) systems and Oracle Cloud, which is one of our strengths.

Because of this strength, in the first quarter under review, the Company received large orders from customers in the financial service and public service industries, who were implementing the strategy of strengthening competitiveness and improving customer contact points through the adoption of enhanced security and IT systems.

(*) On-premises: A form of IT system developed and operated as the company's possession.

< Software license updates & product support >

The Company continued to highlight the quality of support offerings through "My Oracle Support", which provides personalized, proactive and preventative support experience. Meanwhile, it stepped up collaboration with partners and took steps to increase support attach rate to new products and maintain and boost the support contract renewal rate.

[Hardware Systems]

Revenue in the Hardware systems segment was 3,946 million yen, down 5.0 % from the corresponding period of the previous fiscal year.

Revenue in the Hardware systems product division was 1,400 million yen (fell 13.9 % year on year) and Revenue in the Hardware systems support division was 2,545 million yen (up 0.7 % year on year).

This segment consists of the Hardware systems product division which sells servers, storage, engineered systems and network devices, and provides operating systems and related software, and the Hardware systems support division which provides technical support for hardware products, maintenance and repair services and updated versions of related software including operating systems.

[Services]

Revenue in the Services segment was 5,310 million yen, gaining 13.2 % from the corresponding period of the previous fiscal year.

This segment consists of Consulting Services, which support the introduction of products of the Company; Advanced Customer Support Services, which provide a preventive maintenance service and a comprehensive operation management service for customers' IT environments; and Education services, which provide training for engineers and users, and also encompasses a technology qualification business.

In Consulting Services, projects made steady progress, and in Education services, demand for Java training for cloud application development has been growing.

(Translation purposes only)

<Revenue breakdown by business segments>

Item	FY2017 1 st Quarter		FY2018 1 st Quarter			May 2017	
	Amount	Comp.	Amount	Comp.	Variance	Amount	Comp.
	Million Yen	%	Million Yen	%	%	Million Yen	%
Cloud (SaaS/PaaS/IaaS)	1,769	4.6	2,723	6.6	53.9	9,159	5.3
New software licenses	7,677	19.9	7,879	19.1	2.6	43,386	25.1
Software license updates & product support	20,295	52.6	21,396	51.9	5.4	82,727	47.8
Cloud & Software	29,742	77.1	31,999	77.6	7.6	135,273	78.1
Hardware systems products	1,626	4.2	1,400	3.4	-13.9	9,375	5.4
Hardware systems support	2,528	6.6	2,545	6.2	0.7	10,176	5.9
Hardware systems	4,155	10.8	3,946	9.6	-5.0	19,551	11.3
Services	4,693	12.2	5,310	12.9	13.2	18,365	10.6
Total	38,591	100.0	41,256	100.0	6.9	173,190	100.0

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

(iii) Operating profit

Operating profit stood at 12,288 million yen (up 8.8% from the same period a year earlier).

The cost of goods sold increased in cloud and software, for which revenue had been increasing, royalties on sales and consignment fees increased.

For selling, general, and administrative expenses, decreases were seen in human resources costs.

(IV) Non-operating profit and loss, ordinary income

As a result of appropriating non-operating profit and loss of 58 million yen (net), our ordinary income stood at 12,230 million yen (up 9.7% from the same period a year earlier).

(V) Net income

As a result of appropriating 'extraordinary profits-gain on reversal of subscription rights to shares' as extraordinary income, our current net income stood at 8,478 million yen (up 8.8% from the same period a year earlier).

(2) Qualitative Information on Financial Situation

The total assets of the Company at the end of the term stood at 188,748 million yen (decreasing 9,983 million yen from the end of the previous year). Current assets were 147,742 million yen (decreasing 9,878 million yen).

Liabilities were 88,595 million yen (decreasing 4,353 million yen). Net assets totaled 100,153 million yen (decreasing 5,629 million yen).

As a result, the ratio of shareholders' equity was 52.9% (the same percentage points from the end of the previous year).

(3) Business and Financial Tasks to be addressed

There was no significant change in the task to be addressed by the Company during the first quarter under review.

(4) Research and development activities

There was no significant change in the task to be addressed by the Company during the first quarter under review.

(Translation purposes only)

III 【Status of Submitting Company】

1. 【Status of stocks, etc.】

(1) 【Number of shares, etc.】

(i) 【Number of shares】

Type	Number of shares authorized to issue(stocks)
Common Stock	511,584,909
Total	511,584,909

(ii) 【Number of outstanding shares】

Type	Number of outstanding shares as of the end of the first quarter (Shares) (August 31, 2017)	Number of outstanding shares on reporting date (shares) (Note) 1 (October 13, 2017)	Name of financial instruments exchange or name of registered authorized financial instruments firms association	Details
Common Stock	127,844,271	127,872,671	Tokyo Stock Exchange First Section	(Note) 2
Total	127,844,271	127,872,671	-	-

(Note) 1 “Number of outstanding shares on reporting date” does not include the number of shares issued by the exercise of share warrants from October 1, 2017 to the date of submission of this Securities Report.

2 The Company’s standard stock whose rights are not subject to any restrictions. Share unit is 100 shares.

(2) 【Status of share warrants, etc.】

Not Applicable

(3) 【Status of exercising certificates of bonds with share warrants with exercise price revision clause, etc.】

Not applicable.

(4) 【Details of rights plan】

Not applicable.

(5) 【Trends with number of outstanding shares, capital, etc.】

Date	Number of outstanding shares increase/decrease (shares)	Number of outstanding shares balance (shares)	Capital stock increase/decrease (million yen)	Capital stock balance (million yen)	Legal capital surplus Increase/decrease (million yen)	Legal capital surplus balance (million yen)
From June 1, 2017 to August 31, 2017 (Note)	115,600	127,844,271	318	24,074	318	7,424

(Note) The Company’s capital stock and legal capital surplus increased by 62 million yen respectively and 28,400 shares increased due to the exercise of share warrants (from September 1, 2017 to September 30, 2017).

(6) 【Status of major shareholders】

The major shareholders are not presented because the current quarterly accounting period is the first quarter period.

(Translation purposes only)

(7) **【Status of voting rights】**

Concerning the information on voting rights below, as the Company was unable to confirm the information stated in the shareholder register as of August 31, 2017, the information is stated not from its register; rather it is stated from the shareholder register of the immediately preceding cut-off date (May 31, 2017).

(i) **【Number of outstanding shares】**

As of May 31, 2017

Item	No. of shares(shares)	No. of voting rights (Units)	Details
Nonvoting stock	-	-	-
Stock with restricted voting right (Treasury stock, etc.)	-	-	-
Stock with restricted voting right (Others)	-	-	-
Stocks with full voting rights (Treasury stock, etc.)	(Own shares) Common stock 9,900	-	-
Stocks with full voting rights (Others)	Common stock 127,388,000	1,273,880	-
Share less than one unit	Common stock 330,771	-	-
Number of outstanding shares	127,728,671	-	-
Voting rights of shareholders	-	1,273,880	-

(Note) "Stocks with full voting rights (Others)" include 2,000 stocks in the name of Japan Securities Depository Center (20 stocks with voting rights), 38,100 company stocks held by the BIP Trust and 106,300 stocks held by the ESOP Trust.

(ii) **【Treasury stock, etc.】**

As of May 31, 2017

Name of owner	Addresses of owner	No. of shares held in own name(shares)	No. of shares held in another name (shares)	No. of shares held (shares)	Percentage of shares held versus total number of outstanding shares (%)
(Own shares) Oracle Corporation Japan	2-5-8 Kita-Aoyama, Minato-ku, Tokyo	9,900	-	9,900	0.0
Total	-	9,900	-	9,900	0.0

(Note) The trust properties of the Board Incentive Plan (BIP) Trust and the Employee Stock Ownership Plan (ESOP) Trust, which are the 38,100 stocks and 106,300 stocks held respectively by The Master Trust Bank of Japan (2-11-3, Hamamatsucho, Minato-ku, Tokyo) are not included in the above treasury stock, etc.

2. **【Information about directors】**

Not applicable

(Translation purposes only)

IV 【Financial Status】

1 Method of preparing Quarterly Financial Statements

The quarterly financial statements of the Company are prepared in accordance with the “Ordinance on the Terminology, Forms, and Preparation Methods of Quarterly Financial Statements” (Cabinet Office Ordinance No. 63 of 2007).

2 Audit Certification

The quarterly financial statements for the first quarter of the fiscal year ending August 31, 2017 (from June 1, 2017 to August 31, 2017) and three months ended August 31, 2017 (from June 1, 2017 to August 31, 2017) were reviewed by Ernst & Young ShinNihon LLC, in accordance with Article 193-2, paragraph 1 of the Financial Instruments and Exchange Act.

3 Consolidated financial statements

The Company does not prepare consolidated financial statements as we have no subsidiaries.

(Translation purposes only)

1 Quarterly Financial Statements
(1) Quarterly Balance Sheet

(Unit : Million yen)

Description	Previous term end (as of May 31, 2017)	Current term end (as of August 31, 2017)
Assets		
Current assets		
Cash and deposits	43,025	131,289
Accounts receivable-trade	19,629	11,812
Short-term loans receivable	90,300	—
Other	4,668	4,643
Allowance for doubtful accounts	-2	-2
Total current assets	157,621	147,742
Noncurrent assets		
Property, plant and equipment		
Buildings, net	11,384	11,185
Land	26,057	26,057
Other, net	2,648	2,882
Total property, plant and equipment	40,089	40,124
Intangible assets	6	5
Investments and other assets		
Other	1,014	876
Allowance for doubtful accounts	-0	-0
Total investments and other assets	1,014	876
Total noncurrent assets	41,110	41,006
Total assets	198,731	188,748
Liabilities		
Current liabilities		
Accounts payable-trade	12,028	10,046
Accounts payable-other	5,109	3,431
Income taxes payable	8,274	4,125
Advances received	62,594	66,166
Provision for bonuses	2,035	895
Other Provision	442	452
Other	2,454	3,470
Total current liabilities	92,940	88,587
Noncurrent liabilities		
Other	7	7
Total noncurrent liabilities	7	7
Total liabilities	92,948	88,595
Net assets		
Shareholders' equity		
Capital stock	23,755	24,074
Capital surplus	7,106	7,424
Retained earnings	75,258	69,177
Treasury stock	-898	-900
Total shareholders' equity	105,221	99,776
Subscription rights to shares	561	376
Total net assets	105,783	100,153
Total liabilities and net assets	198,731	188,748

(Translation purposes only)

(2) Quarterly Statement of Income
Cumulative first quarter

(Unit : Million yen)

Description	Previous term (From June 1, 2017 to August 31, 2017)	Current term (From June 1, 2017 to August 31, 2017)
Net sales	38,591	41,256
Cost of sales	19,519	21,668
Gross Profit	19,071	19,588
Selling, general and administrative expenses	7,777	7,299
Operating income	11,294	12,288
Non-operating income		
Interest income	5	6
Others	2	4
Total Non-Operating Income	8	10
Non-Operating expenses		
Foreign exchange losses	151	67
Others	0	0
Total Non-Operating expenses	151	68
Ordinary Income	11,151	12,230
Extraordinary Income		
Gain on reversal of subscription rights to shares	161	82
Total Extraordinary Income	161	82
Income before income taxes	11,313	12,313
Income taxes	3,517	3,834
Net Income	7,795	8,478

(Translation purposes only)

Notes to Quarterly Financial Statements

(Notes to Going Concern): Not Applicable

(Changes in accounting policies): Not Applicable

(Special accounting for preparing quarterly financial statements)

(Tax expense calculation)

Tax expenses on profit before income taxes for the three months under review are calculated by multiplying profit before income taxes for the three months under review by the reasonably estimated effective tax rate for the fiscal year including the first quarter under review after applying tax effect accounting.

(Balance Sheet related): Not Applicable

(Statement of Income related): Not Applicable

(Quarterly statement of cash flows)

A quarterly statement of cash flows relating to the three months ended August 31, 2017, has not been prepared. Depreciation (including amortization of intangible assets) are as follows.

	Previous 1 st Quarter	Current 1st Quarter
	From June 1, 2016 to August 31, 2016	From June 1, 2017 to August 31, 2017
Depreciation (million yen)	312	419

(Related to the statement of changes in shareholders' equity)

Previous term (from June 1, 2016 to August 31, 2016)

1 Amount of paid dividends

Resolution	Type of share	Total amount of dividend (Million yen)	Dividend per share (Yen)	Reference date	Effective date	Source of dividends
Board of director held on July 22, 2016	Common stock	66,938	525	May 31, 2016	August 8, 2016	Retained earning

(Note) 1. The above dividend includes special dividend of 420 yen per share.

2. Total amount of dividend which was resolved at the board of directors meeting which was held on July 22, 2016 includes the 19 million yen dividend for the Company's stock held by Board Incentive Plan Trust (4 million yen) and Employee Stock Ownership Plan Trust (14 million yen).

2 Dividends which the cutoff date was in the three months ended August 31, 2016 and the effective date of which is after the end of the first quarter of the fiscal year ended May 31, 2016.
Not Applicable

3 Significant changes in the amount of shareholders' equity

Retained earnings was decreased by 66,938 million yen due to the payment of a year-end dividend of 525 yen (a normal dividend of 105 yen and a special dividend of 420 yen) per share which was resolved at the board of directors meeting which was held on July 22, 2016.

(Translation purposes only)

Current term (from June 1, 2017 to August 31, 2017)

1 Amount of paid dividends

Resolution	Type of share	Total amount of dividend (Million yen)	Dividend per share (Yen)	Reference date	Effective date	Source of dividends
Board of director held on July 20, 2017	Common stock	14,559	114	May 31, 2017	August 7, 2017	Retained earning

(Note) Total amount of dividend which was resolved at the board of directors meeting which was held on July 20, 2017 includes the 16 million yen dividend for the Company's stock held by the trusts (Board Incentive Plan Trust (4 million yen) and Employee Stock Ownership Plan Trust (12 million yen))

2 Dividends which the cutoff date was in the three months ended August 31, 2017 and the effective date of which is after the end of the first quarter of the fiscal year ended May 31, 2017.

Not Applicable

3 Significant changes in the amount of shareholders' equity

Not Applicable

(Equity in earnings (loss) of affiliated companies)

Not Applicable

(Translation purposes only)

(Segment Information)

I. Previous quarter under review (from June 1, 2016 to August 31, 2016)

Segment sales and operating income (loss)

(Unit: Million Yen)

	Reportable operating segments				Adjustment (Note) 1	Amount on Statement of Income
	Cloud and Software	Hardware Systems	Services	Total		
Sales						
External customers	29,742	4,155	4,693	38,591	—	38,591
Intersegment net sales or transfer	—	—	—	—	—	—
Total	29,742	4,155	4,693	38,591	—	38,591
Operating income (loss)	10,855	187	1,236	12,279	-984	11,294

(Notes): 1. Segment profit adjustment of minus 984 million yen is a Company-wide expense, which primarily relates to administration departments that do not belong to any reported segment.

2. Segment profits are adjusted in comparison with operating income in the statement of income.

II. Current quarter under review (from June 1, 2017 to August 31, 2017)

1. Segment sales and operating income (loss)

(Unit: Million Yen)

	Reportable operating segments				Adjustment (Note) 1	Amount on Statement of Income
	Cloud and Software	Hardware Systems	Services	Total		
Sales						
External customers	31,999	3,946	5,310	41,256	—	41,256
Intersegment net sales or transfer	—	—	—	—	—	—
Total	31,999	3,946	5,310	41,256	—	41,256
Operating income (loss)	11,780	174	1,362	13,317	-1,028	12,288

(Notes): 1. Segment profit adjustment of minus 1,028 million yen is a Company-wide expense, which primarily relates to administration departments that do not belong to any reported segment.

2. Segment profits are adjusted in comparison with operating income in the statement of income.

2. Change in Reported Segments

The Company has implemented an organizational change by integrating the New software licenses, the cloud (SaaS/PaaS/IaaS) segment and the Software license updates & product support segment as the Cloud and software segment. The change was decided on after reviewing the business segments from a range of perspectives such as the current status of the Company relating to the development of businesses, the allocation of management resources, and the system of business management, as well as the situation in which the interrelationship and complementarity between the New software licenses, the cloud (SaaS/PaaS/IaaS) segment and the Software license updates & product support segment were enhanced to the degree that the Company's businesses were underpinned through the provision of these services as one under the former segmentation.

The segment information for the previous term is presented based on the data and the name compiled according to the segmentation adopted after the change.

(Translation purposes only)

(Per Share Data)

The basis of calculation for net income per share and net income per share (diluted) is as shown below:

(Unit: Yen)

	Previous term end (From June 1, 2016 to August 31, 2016)	Current term end (From June 1, 2017 to August 31, 2017)
(1) Net income per share (yen)	61.15	66.43
Net income (millions of yen)	7,795	8,478
Amounts not attributable to owners of common stock (millions of yen)	—	—
Net income attributable to common stock (millions of yen)	7,795	8,478
Average number of shares during the term (thousand shares)	127,491	127,625
(2) Net income per share (diluted)	61.02	66.29
Adjustment to net income (millions of yen)	—	—
Increase in common stock (thousand shares)	259	271

(Note) Posted as treasury stock included in shareholders' equity, the treasury shares which remain in the BIP trust and the ESOP trust are included in the treasury stock to be deducted in the calculation of the number of average shares outstanding during the term in order to calculate the net income per share and net income per share (diluted). The average number of treasury shares during the term deducted in the calculation of net income per share and net income per share (diluted) were, specifically, 8,826 treasury shares owned by the BIP trust and 28,320 treasury shares owned by the ESOP trust for last year, 38,165 treasury shares owned by the BIP trust and 106,382 treasury shares owned by the ESOP trust for this year.

(Significant subsequent events)

Not Applicable

(Translation purposes only)

2. 【Others】

The board of directors meeting resolved year-end dividend of 32nd business year which was held on July 20, 2017.

- | | |
|---------------------------------|-------------------|
| ① The total amount of dividends | 14,559million yen |
| ② Dividend per share | 114 yen |
| ③ Effective date of dividend | August 7, 2017 |

- (Note) 1. The Company paid dividends from surplus to shareholders and/or registered share pledges who are registered or recorded on the latest registers of shareholders as of May 31, 2017.
2. Total amount of dividend includes the 16 million yen dividend for the Company's stock held by the trusts (Board Incentive Plan Trust (4 million yen) and Employee Stock Ownership Plan Trust (12 million yen))

(Translation purposes only)

Part 2 **【Information on Guarantor Companies, etc. for Submitting Company】**

Not applicable

(Translation purposes only)

Translation

Following is an English translation of the Independent Auditor's Review Report filed under the Financial Instruments and Exchange Act of Japan. This report is presented merely as supplemental information.

Independent Auditor's Review report

October 13, 2017

Oracle Corporation Japan
The board of Directors

Ernst & Young ShinNihon LLC

Designated limited liability employee/Business executive
Mitsunobu Yamaguchi, Certified Public Accountant

Designated limited liability employee/Business executive
Masato Endo, Certified Public Accountant

Pursuant to the provisions of Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act, we have conducted a quarterly review of the quarterly financial statements of Oracle Corporation Japan listed in the "Status of Accounting" for the 1st quarter of 33rd term (from June 1, 2017 to August 31, 2017) and the fiscal term commencing on June 1, 2017, and ending on May 31, 2018, which comprise the balance sheet, income statement, and notes.

<Management's responsibility for the quarterly financial statements>

Management is responsible for the preparation and fair presentation of these quarterly financial statements and the annexed detailed statements thereof in accordance with the accounting standards generally accepted in Japan. This responsibility includes development and operation of such internal control as management determines necessary to enable the preparation and fair presentation of the quarterly financial statements and the annexed detailed statements thereof that are free from material misstatement, whether due to fraud or error.

<Auditor's responsibility>

Our responsibility is to express a conclusion on the quarterly financial statements from an independent standpoint based on our quarterly review. We conducted our quarterly review in accordance with the quarterly review standards generally accepted in Japan

A quarterly review consists of principally of making inquiries to the management and the persons responsible for financial and accounting matters, etc., applying analytical procedures and conducting other quarterly review procedures. The quarterly review procedures are less exhaustive than the procedures for annual financial statement audits conducted in accordance with the audit standards generally accepted in Japan.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

<Auditor's conclusion>

In our quarterly review, no matter has come to our attention that causes us to believe that the above quarterly financial statements do not fairly present, in any material respect, the financial condition of Oracle Corporation Japan as of August 31, 2017 and the results of its operations in the cumulative first quarter ended August 31, 2017 in accordance with the standards for preparation of quarterly financial statements generally accepted in Japan.

<Interest >

There exists no special interest between the Company and this audit corporation or its engagement partners which is required to be stated pursuant to the provisions of the Certified Public Accountants Act.

* 1. The above is a digital version of the original of the audit report, and the original is kept separately by the company.

2. XBRL data is unaudited.

3. The original review report is in Japanese. This English translation is for readers' convenience and reading this translation is not a substitute for reading the original audit report in Japanese.

(Translation purposes only)

【Title page】

【Submitted document】	Certification
【Text used as grounds for document】	Article 24-4-8 paragraph1 of the Financial Instruments and Exchange Act
【For submission to】	Kanto Finance Bureau
【Date of submission】	October 13, 2017
【Company name】	ORACLE CORPORATION JAPAN
【Company name in English】	ORACLE CORPORATION JAPAN
【Name and title of representative】	Tadahiro Kaneko, Representative Executive Officer, Chief Legal Officer
【Name of administrative contact】	Shigeru Nosaka, Executive Officer, Deputy President and CFO
【Current location of head office】	2-5-8 Kita-Aoyama, Minato-ku, Tokyo
【Location subjected to inspection】	Tokyo Stock Exchange, Inc. (2-1 Kabuto-cho, Nihombashi, Chuo-ku, Tokyo)

(Translation purposes only)

1 **【Regarding the adequacy of the Securities Report】**

Tadahiro Kaneko, Representative executive officer, Chief Legal Officer and Shigeru Nosaka, Executive Officer, Deputy President and CFO of the company, confirmed the adequacy of the 33rd 1st Quarterly Securities Report based on Financial Instruments and Exchange Act (for the period from June 1, 2017 to August 31, 2017)

2 **【Special mention】**

Upon confirmation, there are no items needing of special mention.