

(Translation purposes only)

Quarterly Securities Report

(The Third Quarter of 35th Business Term)

Oracle Corporation Japan

(E05027)

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;
<https://www.oracle.com/a/ocom/docs/jp-investor-relations/fy20q3-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.

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【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】	April 13, 2020
【Fiscal year】	The Third Quarter of 35 th Business Term (from December 1, 2019 to February 29, 2020)
【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
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【Name of administrative contact】	Yushi Murano, Director, Corporate Accounting
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【Phone】	813(6834)6666
【Name of administrative contact】	Yushi Murano, Director, Corporate Accounting
【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	34 th 3 rd Quarter	35 th 3 rd Quarter	34 th
Closing month/year	From June 1, 2018 to February 28, 2019	From June 1, 2019 to February 29, 2020	From June 1, 2018 to May 31, 2019
Revenue (million yen)	139,784	148,887	202,389
Ordinary income (million yen)	42,430	46,353	62,284
Net income (million yen)	29,387	32,069	43,360
Return on investment with application of equity method (million yen)	—	—	—
Capital stock (million yen)	24,633	24,857	24,679
Total numbers of shares outstanding (thousand shares)	128,079	128,172	128,098
Net assets (million yen)	146,230	175,684	160,288
Total assets (million yen)	225,701	256,586	269,518
Net income per share (yen)	229.68	250.56	338.92
Net income per share (diluted) (yen)	229.39	250.33	338.51
Dividends per share (yen)	—	—	136
Ratio of shareholders' equity (%)	64.7	68.4	59.4

Term	34 th 3 rd Quarter	35 th 3 rd Quarter
Closing month/year	From December 1, 2018 to February 28, 2019	From December 1, 2019 to February 29, 2020
Net income per share (yen)	79.03	88.09

(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 cumulative third quarter ended February 29, 2020, 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 nine-month period ended February 29, 2020, there is no significant change in business risks which were described on our Annual Securities Report for the year ended May 31, 2019.

2. 【Management's Discussion and Analysis of Financial Position, Operating Results and Cash Flows】

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 the day of the submission of this quarterly report.

(1) Analysis of Financial Status

(i) Overview

During the third quarter under review (from Jun 1, 2019 to February 29, 2020, hereinafter “this quarter”), the Company posted 148,887 million yen (up 6.5 % year on year) in revenue, 46,343 million yen (rising 9.2 %) in operating income, 46,353 million yen (gaining 9.2 %) in ordinary income and 32,069 million yen (increasing 9.1 %) in net income.

The Japanese information services industry in which the Company operates enjoyed firm system renewal demand and solid Cloud and IT investment aimed at corporate growth and boosting competitiveness, including investing in mobile solutions, improving efficiency through the use of IoT and other digital data, and strengthening contact points with end users.

In this business environment, the Company strives further business growth by achieving customer’s innovation and supporting their business transformation by utilizing cloud service and data.

As the COVID-19 virus (Coronavirus) was showing up in the end of this quarter, the Company is carefully examining the effects on its further business. The Company recognizes that one of its most important business missions is to protect safety and health of its employees’ and customers’ and to continue its business stably.

(ii) Results by Reported Segment

Go to Market Strategy

The Company has the comprehensive product portfolio which consists of platform, applications, hardware which can be deployed on cloud environment and on-premise environment. Especially our software license products have been widely adopted in the field of mission critical systems, which have demanded high security, availability and high performance for many years. The Oracle Cloud, which the Company has focused on as a pillar of its new business, has been developed based on the same system architecture and technologies as these software licenses, and the Company enjoys a strength in enabling coordination and bidirectional migration between on-premises systems built with the software licenses products and the Oracle Cloud.

Currently the Company has been taking advantage of these strengths, and in order to further accelerate our focus points “Win big deals”, “Autonomous Upgrades” and “ERP Upgrades”. The Company opened a new datacenter in Osaka region in this February added on the “Generation 2 Cloud” datacenter in Tokyo region opened in May, 2019, and deliver our cloud services corresponding to enterprise workload and security. We continue to deploy our sales teams across all the different segment of the market including the SMB space.

(Glossary)

- Cloud service: Providing software and hardware resources which are used for IT system infrastructure at companies and other organizations as services under agreements for certain periods through the networks such as Internets.
- On-premises: A form of IT system developed and operated as the company’s possession.

(Translation purposes only)

[Cloud & License]

Revenue in the Cloud & license segment was 120,253 million yen, up 8.6% from the corresponding period of the previous fiscal year and Operating income was 46,552 million yen, gaining 13.2%. Revenue in the Cloud license & on-premise license was 32,552 million yen (rising 12.6 % year on year), revenue in the Cloud services & license support was 87,701 million yen (increasing 7.1 % year on year).

This segment consists of the “Cloud license & on-premise license” that the Company sells software licenses for database management software, a range of middleware, and ERP and other business applications, etc., the “License support” that the Company provides software updates and technical support for customers using the Company’s software licenses, and the “Cloud services” are services the Company provides the resources of software and hardware via the Internet.

In this Quarter of the fiscal year, we see continuously good demands from customers in wide variety of industry including Manufacturing, Retail, Distribution, Services and Communication & Utility. The Company has developed its strength of products and services to its Customers including potentially. The Company continues to close a good mix of small and large deals indicating a steady business scenario.

Concerning the Cloud services including “Oracle Autonomous Database Cloud”, there is a lot of demands from customers putting a weight on performance, security and cost effectiveness, the usage of our Tokyo region data center opened in May this year is successfully increasing continuously across all of segment significantly with expansion its Gen-2 Cloud datacenter.

Also we have been keeping the high renewal rate of license support contracts and the attach rate for the Cloud license and on-premise license.

[Hardware systems]

Revenue in the Hardware systems segment was 12,582 million yen, declining 3.0 % from the corresponding period of the previous fiscal year, Operating income was 629 million yen, rising 10.5%.

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.

The Company released “Oracle Exadata Database Machine X8M” combines Intel® Optane™ DC persistent memory, and the inquiry for this machine is continuously strong. Exadata X8M removes storage bottlenecks and dramatically increase performance for the most demanding workloads such as Online Transaction Processing (OLTP), analytics, IoT, fraud detection, and high frequency trading.

[Services]

Revenue in the Services segment was 16,051 million yen, gaining 0.2 % from the corresponding period of the previous fiscal year, Operating income was 2,622 million yen, down 30.3%. 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. As for Consulting Services, the number of composite projects taking advantage of the Company’s comprehensive product and service portfolio has increased steadily. They include projects for platform transition from the on-premise environment to the IaaS and PaaS environment and those for linkage with SaaS solutions such as the ERP cloud.

(Translation purposes only)

<Revenue breakdown by business segments>

Item	FY2019 3 rd Quarter		FY2020 3 rd Quarter			May 2019	
	Amount	Comp.	Amount	Comp.	YoY	Amount	Comp.
	Million Yen	%	Million Yen	%	%	Million Yen	%
Cloud license & on-premise license	28,901	20.7	32,552	21.9	12.6	52,747	26.1
Cloud services & license support	81,879	58.6	87,701	58.9	7.1	110,066	54.4
Cloud & License	110,781	79.3	120,253	80.8	8.6	162,813	80.4
Hardware systems	12,975	9.3	12,582	8.5	-3.0	18,340	9.1
Services	16,027	11.5	16,051	10.8	0.2	21,234	10.5
Total	139,784	100.0	148,887	100.0	6.5	202,389	100.0

*Amount is rounded down. Composition ratio and year-to-year comparison (% of change YoY) are rounded off.

(iii) Operating income

Operating income in Services segment decreased, while operating income came to 46,343 million yen (up 9.2% year on year), due to the continued strong growth in the Cloud & License segment (up 13.2% year on year).

Cost of sales came to 77,428 million yen (up to 5.3% from the same period a year earlier), royalties in the Cloud & License segment rose although outsourcing expenses decreased.

Selling, general and administrative expenses came to 25,115 million yen (up to 5.4% from the same period a year earlier). This was due to an increase of personnel expenses in Cloud & License segment and an increase of advertising expenses.

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

As a result of appropriating non-operating profit and loss of 10 million yen (net), our ordinary income stood at 46,353 million yen (up 9.2% from the same period a year earlier).

(V) Net income

As a result of posting 'extraordinary profits-gain on reversal of subscription rights to shares' (12 million yen) and income taxes (14,296 million yen), our current net income stood at 32,069 million yen (up 9.1% from the same period a year earlier).

(Translation purposes only)

(2) Analysis of financial position

(Assets)

Current assets at the end of the term were 211,230 million yen (increasing 118,224 million yen) because of additional arranging a loan (30,000 million yen) with a maximum term of two years from February 2019 to Oracle Japan Holding, Inc., (parent company of the Company) in this year and reclassification of loans receivable from subsidiaries and associates from noncurrent assets to current assets, etc., and noncurrent assets at the end of the term were 45,356 million yen (decreasing 131,156 million yen).

(Liabilities)

Total liabilities at the end of the term decreased 28,328 million yen from the end of the previous fiscal year, to 80,902 million yen. This was mainly due to a decrease in advances received (16,778 million yen) and a decrease in income taxes payable (6,092 million yen).

(Net assets)

Total net assets at the end of the term increased 15,396 million yen, to 175,684 million yen. This was primarily attributable to increases in both capital stock and capital surplus (177 million yen) due to the exercise of stock options, and as a result of the posting of net income (32,069 million yen) and the payment of dividends (17,419 million yen). Consequently, the ratio of shareholders' equity stood at 68.4% (an increase of 9.0 percentage points from the end of the previous fiscal 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 cumulative third quarter under review.

(4) Research and development activities

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

(5) Analysis about capital resources and liquidity of funds

There were no material changes in the "information about capital resources and liquidity of funds" stated in the Annual Securities Report for the 34th business term filed on August, 20, 2019.

3. **【Important Agreements for Business, etc.】**

For the nine-month period ended February 29, 2020, there is no significant change in Important Agreements for Business, etc.

(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 third quarter (Shares) (February 29, 2020)	Number of outstanding shares on reporting date (shares) (Note) 1 (April 13, 2020)	Name of financial instruments exchange or name of registered authorized financial instruments firms association	Details
Common Stock	128,172,771	128,173,671	Tokyo Stock Exchange First Section	(Note) 2
Total	128,172,771	128,173,671	-	-

(Note) 1 “Number of outstanding shares on reporting date” does not include the number of shares issued by the exercise of share warrants from April 1, 2020 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.】

(i) 【Details of Stock Option System】

Not applicable

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

Not applicable.

(3) 【Details of rights plan】

Not applicable.

(4) 【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 December 1, 2019 to February 29, 2020 (Note)	20,600	128,172,771	49	24,857	49	8,208

(Note) 1. Increase due to the exercise of share warrants.

2. The Company’s capital stock and legal capital surplus increased by 2 million yen respectively and 900 shares increased due to the exercise of share warrants (from March 1, 2020 to March 31, 2020).

(Translation purposes only)

(5) 【Status of major shareholders】

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

(6) 【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 February 29, 2020, the information is stated not from its register; rather it is stated from the shareholder register of the immediately preceding cut-off date (November 30, 2019).

(i) 【Number of outstanding shares】

As of November 30, 2019

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 11,600	-	-
Stocks with full voting rights (Others)	Common stock 127,871,800	1,278,718	-
Share less than one unit	Common stock 268,771	-	-
Number of outstanding shares	128,152,171	-	-
Voting rights of shareholders	-	1,278,718	-

(Note) "Stocks with full voting rights (Others)" include 2,000 stocks in the name of Japan Securities Depository Center (20 stocks with voting rights), 10,900 company stocks held by the BIP Trust and 95,500 stocks held by the ESOP Trust.

(ii) 【Treasury stock, etc.】

As of November 30, 2019

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	11,600	-	11,600	0.0
Total	-	11,600	-	11,600	0.0

(Note) The trust properties of the Board Incentive Plan (BIP) Trust and the Employee Stock Ownership Plan (ESOP) Trust, which are the 10,900 stocks and 95,500 stocks held respectively by The Master Trust Bank of Japan (2-11-3, Hamamatsu-cho, Minato-ku, Tokyo) are not included in the above treasury stock, etc.

(Translation purposes only)

2 **【Status of Directors】**

Changes of Directors for the nine months under review after the end of previous fiscal year.

(1) Change of Assignment

Name	Previous assignment	New assignment	Effective date
Frank Obermeier	Director Corporate Executive Officer President & CEO	Director Corporate Executive Officer President	September 2, 2019

(2) Newly appointed Corporate Executive Officer

Assignment	Name	Date of Birth	Profile		Shares owned	Effective date
Corporate Executive Officer CEO	Kenneth Johansen	March 2, 1972	Jul. 1996	TDC Account Manager	-	September 2, 2019
			Oct. 2000	Ericsson Account Manager		
			Mar. 2001	Computer Associates International, Inc. (currently CA Technologies) Account Manager		
			Dec. 2002	NetIQ Sales Manager		
			Apr. 2004	BEA Systems Sales Manager		
			Sep. 2009	Oracle Denmark Sales Director		
			Aug. 2010	Oracle Denmark Country Leader		
			Jun. 2017	Oracle Germany Country Leader		
			Sep. 2019	Oracle Corporation Japan Corporate Executive Officer, CEO (current position)		

(3) Number of each gender of Directors and Ratio of Female after personnel changes

Male directors 10 and Female director 1 (Female directors make up 9.1%)

(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 third quarter of the fiscal year ending February 29, 2020 (from June 1, 2019 to February 29, 2020) and three months ended February 29, 2020 (from December 1, 2019 to February 29, 2020) 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, 2019)	Current term end (as of February 29, 2020)
Assets		
Current assets		
Cash and deposits	65,505	29,702
Accounts receivable-trade	20,283	18,218
Short-term loans receivable from subsidiaries and associates	—	160,000
Other	7,228	3,321
Allowance for doubtful accounts	-12	-12
Total current assets	93,005	211,230
Noncurrent assets		
Property, plant and equipment		
Buildings, net	11,088	10,549
Land	26,057	26,057
Other, net	3,743	3,020
Total property, plant and equipment	40,889	39,627
Intangible assets	2	1
Investments and other assets		
Long-term loans receivable from subsidiaries and associates	130,000	—
Other	5,655	5,726
Allowance for doubtful accounts	-34	-0
Total investments and other assets	135,620	5,726
Total noncurrent assets	176,512	45,356
Total assets	269,518	256,586
Liabilities		
Current liabilities		
Accounts payable-trade	15,910	11,858
Accounts payable-other	5,313	4,178
Income taxes payable	10,969	4,877
Advances received	70,772	53,994
Provision for bonuses	2,581	1,618
Other Provision	442	286
Other	3,232	4,081
Total current liabilities	109,222	80,894
Noncurrent liabilities		
Other	7	7
Total noncurrent liabilities	7	7
Total liabilities	109,230	80,902
Net assets		
Shareholders' equity		
Capital stock	24,679	24,857
Capital surplus	8,030	8,208
Retained earnings	128,580	143,229
Treasury stock	-1,211	-773
Total shareholders' equity	160,078	175,522
Subscription rights to shares	209	161
Total net assets	160,288	175,684
Total liabilities and net assets	269,518	256,586

(Translation purposes only)

(2) Quarterly Statement of Income
Cumulative third quarter

(Unit : Million yen)

Description	Previous term (From June 1, 2018 to February 28, 2019)	Current term (From June 1, 2019 to February 29, 2020)
Net sales	139,784	148,887
Cost of sales	73,531	77,428
Gross Profit	66,252	71,458
Selling, general and administrative expenses	23,831	25,115
Operating income	42,421	46,343
Non-operating income		
Foreign exchange gains	17	—
Interest income	8	21
Others	25	30
Total Non-Operating Income	51	52
Non-Operating expenses		
Foreign exchange losses	—	39
Others	41	2
Total Non-Operating expenses	41	42
Ordinary Income	42,430	46,353
Extraordinary Income		
Gain on reversal of subscription rights to shares	17	12
Total Extraordinary Income	17	12
Income before income taxes	42,448	46,365
Income taxes	13,061	14,296
Net Income	29,387	32,069

(Translation purposes only)

Notes to Quarterly Financial Statements

(Notes to Going Concern): Not Applicable

(Special accounting for preparing quarterly financial statements)

(Tax expense calculation)

Tax expenses on profit before income taxes for the nine months under review are calculated by multiplying profit before income taxes for the nine months under review by the reasonably estimated effective tax rate for the fiscal year including the third 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 nine months ended February 29, 2020, has not been prepared. Depreciation (including amortization of intangible assets) are as follows.

		Previous 3 rd Quarter	Current 3 rd Quarter
		From June 1, 2018 to February 28, 2019	From June 1, 2019 to February 29, 2020
Depreciation	(million yen)	1,453	1,740

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

Previous term (from June 1, 2018 to February 28, 2019)

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 24, 2018	Common stock	15,489	121	May 31, 2018	August 6, 2018	Retained earning

(Note) Total amount of dividend which was resolved at the board of directors meeting which was held on July 24, 2018 includes the 11 million yen dividend for the Company's stock held by the trusts (Board Incentive Plan Trust (2 million yen) and Employee Stock Ownership Plan Trust (8 million yen))

2 Dividends which the cutoff date was in the nine months ended February 28, 2019 and the effective date of which is after the end of the third quarter of the fiscal year ended May 31, 2019.

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)

Current term (from June 1, 2019 to February 29, 2020)

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, 2019	Common stock	17,419	136	May 31, 2019	August 5, 2019	Retained earning

(Note) Total amount of dividend which was resolved at the board of directors meeting which was held on July 22, 2019 includes the 23 million yen dividend for the Company's stock held by the trusts (Board Incentive Plan Trust (2 million yen) and Employee Stock Ownership Plan Trust (20 million yen))

2 Dividends which the cutoff date was in the nine months ended February 29, 2020 and the effective date of which is after the end of the third quarter of the fiscal year ended May 31, 2020.

Not Applicable

3 Significant changes in the amount of shareholders' equity

Not Applicable

(Equity in earnings (loss) of affiliated companies)

Not Applicable

(Segment Information)

I. Previous quarter under review (from June 1, 2018 to February 28, 2019)

Segment sales and operating income (loss)

(Unit: Million Yen)

	Reportable operating segments				Adjustment (Note) 1	Amount on Statement of Income (Note) 2
	Cloud and license	Hardware Systems	Services	Total		
Sales						
External customers	110,781	12,975	16,027	139,784	—	139,784
Intersegment net sales or transfer	—	—	—	—	—	—
Total	110,781	12,975	16,027	139,784	—	139,784
Operating income (loss)	41,090	569	3,764	45,425	-3,004	42,421

(Notes): 1. Segment profit adjustment of minus 3,004 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, 2019 to February 29, 2020)

Segment sales and operating income (loss)

(Unit: Million Yen)

	Reportable operating segments				Adjustment (Note) 1	Amount on Statement of Income (Note) 2
	Cloud and license	Hardware Systems	Services	Total		
Sales						
External customers	120,253	12,582	16,051	148,887	—	148,887
Intersegment net sales or transfer	—	—	—	—	—	—
Total	120,253	12,582	16,051	148,887	—	148,887
Operating income (loss)	46,522	629	2,622	49,775	-3,431	46,343

(Notes): 1. Segment profit adjustment of minus 3,431 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.

(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:

	Previous term end (From June 1, 2018 to February 28, 2019)	Current term end (From June 1, 2019 to February 29, 2020)
(1) Net income per share (yen)	229.68	250.56
(Basis for calculation)		
Net income (millions of yen)	29,387	32,069
Amounts not attributable to owners of common stock (millions of yen)	—	—
Net income attributable to common stock (millions of yen)	29,387	32,069
Average number of shares during the term (thousand shares)	127,951	127,992
(2) Net income per share (diluted)	229.39	250.33
(Basis for calculation)		
Adjustment to net income (millions of yen)	—	—
Increase in common stock (thousand shares)	161	115
(Subscription right (thousand shares))	(161)	(115)
Details of shares not included in calculation of diluted net income per share due to non-dilative effect	—	—

(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, 19,833 treasury shares owned by the BIP trust and 71,789 treasury shares owned by the ESOP trust for last year, 15,210 treasury shares owned by the BIP trust and 123,066 treasury shares owned by the ESOP trust for this year.

(Significant subsequent events)

Not applicable

2. 【Others】

Not applicable

(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

April 13, 2020

Oracle Corporation Japan
The board of Directors

Ernst & Young ShinNihon LLC

Designated limited liability employee/Business executive
Hisafumi Nomoto, Certified Public Accountant

Designated limited liability employee/Business executive
Atsuko Tanabe, 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 three months ended February 29, 2020 (from December 1, 2019 to February 29, 2020) and the cumulative third quarter of the fiscal year ending February 29, 2020 (from June 1, 2019 to February 29, 2020), 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 February 29, 2020 and the results of its operations in the cumulative third quarter ended February 29, 2020 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.

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- * 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】	April 13, 2020
【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 Chief Financial Officer】	Krishna Sivaraman, Executive Officer, Chief Financial Officer
【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 S. Krishna Kumar, Executive Officer, CFO of the company, confirmed the adequacy of the 35th 3rd Quarterly Securities Report based on Financial Instruments and Exchange Act (for the period from December 1, 2019 to February 29, 2020)

2 **【Special mention】**

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