

ORACLE CORPORATION
Q4 FISCAL 2015 FINANCIAL RESULTS
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(\$ in millions, except per share data)

	Three Months Ended May 31,				% Increase (Decrease) in US \$	% Increase (Decrease) in Constant Currency (1)
	2015	% of Revenues	2014	% of Revenues		
REVENUES						
New software licenses	\$ 3,138	29%	\$ 3,769	33%	(17%)	(10%)
Cloud software as a service and platform as a service	416	4%	322	3%	29%	35%
Cloud infrastructure as a service	160	1%	128	1%	25%	31%
Software license updates and product support	4,686	44%	4,695	42%	0%	8%
Software and Cloud Revenues	8,400	78%	8,914	79%	(6%)	2%
Hardware systems products	818	8%	870	8%	(6%)	3%
Hardware systems support	589	6%	596	5%	(1%)	7%
Hardware Systems Revenues	1,407	14%	1,466	13%	(4%)	5%
Services Revenues	899	8%	940	8%	(4%)	5%
Total Revenues	10,706	100%	11,320	100%	(5%)	3%
OPERATING EXPENSES						
Sales and marketing	2,212	21%	2,241	20%	(1%)	6%
Cloud software as a service and platform as a service	256	2%	137	1%	86%	97%
Cloud infrastructure as a service	90	1%	84	1%	7%	11%
Software license updates and product support	331	3%	303	3%	9%	19%
Hardware systems products	438	4%	443	4%	(1%)	9%
Hardware systems support	188	2%	205	2%	(9%)	(1%)
Services	750	7%	759	7%	(1%)	8%
Research and development	1,435	13%	1,349	12%	6%	9%
General and administrative	278	3%	265	2%	5%	11%
Amortization of intangible assets	507	5%	568	5%	(11%)	(11%)
Acquisition related and other	200	2%	20	0%	895%	900%
Restructuring	39	0%	37	0%	6%	27%
Total Operating Expenses	6,724	63%	6,411	57%	5%	11%
OPERATING INCOME	3,982	37%	4,909	43%	(19%)	(9%)
Interest expense	(325)	(3%)	(239)	(2%)	36%	36%
Non-operating income (expense), net	40	1%	(81)	0%	150%	149%
INCOME BEFORE PROVISION FOR INCOME TAXES	3,697	35%	4,589	41%	(19%)	(9%)
Provision for income taxes	939	9%	943	9%	0%	13%
NET INCOME	\$ 2,758	26%	\$ 3,646	32%	(24%)	(14%)
EARNINGS PER SHARE:						
Basic	\$ 0.63		\$ 0.81			
Diluted	\$ 0.62		\$ 0.80			
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING:						
Basic	4,359		4,475			
Diluted	4,463		4,569			

(1) We compare the percent change in the results from one period to another period using constant currency disclosure. We present constant currency information to provide a framework for assessing how our underlying businesses performed excluding the effect of foreign currency rate fluctuations. To present this information, current and comparative prior period results for entities reporting in currencies other than United States dollars are converted into United States dollars at the exchange rates in effect on May 31, 2014, which was the last day of our prior fiscal year, rather than the actual exchange rates in effect during the respective periods. Movements in international currencies relative to the United States dollar during the three months ended May 31, 2015 compared with the corresponding prior year period decreased our revenues by 8 percentage points, operating expenses by 6 percentage points and operating income by 10 percentage points.

ORACLE CORPORATION
Q4 FISCAL 2015 FINANCIAL RESULTS
RECONCILIATION OF SELECTED GAAP MEASURES TO NON-GAAP MEASURES (1)
(\$ in millions, except per share data)

	Three Months Ended May 31,						% Increase (Decrease) in US \$		% Increase (Decrease) in Constant Currency (2)	
	2015		2015		2014		GAAP	Non-GAAP	GAAP	Non-GAAP
	GAAP	Adj.	Non-GAAP	GAAP	Adj.	Non-GAAP				
TOTAL REVENUES (3) (4) (5)	\$ 10,706	\$ 6	\$ 10,712	\$ 11,320	\$ 6	\$ 11,326	(5%)	(5%)	3%	3%
TOTAL SOFTWARE AND CLOUD REVENUES (3) (4)	\$ 8,400	\$ 5	\$ 8,405	\$ 8,914	\$ 5	\$ 8,919	(6%)	(6%)	2%	2%
New software licenses	3,138	-	3,138	3,769	-	3,769	(17%)	(17%)	(10%)	(10%)
Cloud software as a service and platform as a service (3)	416	3	419	322	5	327	29%	28%	35%	34%
Cloud infrastructure as a service	160	-	160	128	-	128	25%	25%	31%	31%
Software license updates and product support (4)	4,686	2	4,688	4,695	-	4,695	0%	0%	8%	8%
TOTAL HARDWARE SYSTEMS REVENUES (5)	\$ 1,407	\$ 1	\$ 1,408	\$ 1,466	\$ 1	\$ 1,467	(4%)	(4%)	5%	5%
Hardware systems products	818	-	818	870	-	870	(6%)	(6%)	3%	3%
Hardware systems support (5)	589	1	590	596	1	597	(1%)	(1%)	7%	7%
TOTAL OPERATING EXPENSES	\$ 6,724	\$ (990)	\$ 5,734	\$ 6,411	\$ (841)	\$ 5,570	5%	3%	11%	10%
Stock-based compensation (6)	244	(244)	-	216	(216)	-	13%	*	13%	*
Amortization of intangible assets (7)	507	(507)	-	568	(568)	-	(11%)	*	(11%)	*
Acquisition related and other	200	(200)	-	20	(20)	-	895%	*	900%	*
Restructuring	39	(39)	-	37	(37)	-	6%	*	27%	*
OPERATING INCOME	\$ 3,982	\$ 996	\$ 4,978	\$ 4,909	\$ 847	\$ 5,756	(19%)	(14%)	(9%)	(5%)
OPERATING MARGIN %	37%		46%	43%		51%	(617) bp.	(435) bp.	(483) bp.	(365) bp.
INCOME TAX EFFECTS (8)	\$ 939	\$ 258	\$ 1,197	\$ 943	\$ 308	\$ 1,251	0%	(4%)	13%	6%
NET INCOME	\$ 2,758	\$ 738	\$ 3,496	\$ 3,646	\$ 539	\$ 4,185	(24%)	(16%)	(14%)	(8%)
DILUTED EARNINGS PER SHARE	\$ 0.62		\$ 0.78	\$ 0.80		\$ 0.92	(23%)	(14%)	(12%)	(5%)
DILUTED WEIGHTED AVERAGE COMMON SHARES OUTSTANDING	4,463	-	4,463	4,569	-	4,569	(2%)	(2%)	(2%)	(2%)

(1) This presentation includes non-GAAP measures. Our non-GAAP 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. For a detailed explanation of the adjustments made to comparable GAAP measures, the reasons why management uses these measures, the usefulness of these measures and the material limitations on the usefulness of these measures, please see Appendix A.

(2) We compare the percent change in the results from one period to another period using constant currency disclosure. We present constant currency information to provide a framework for assessing how our underlying businesses performed excluding the effect of foreign currency rate fluctuations. To present this information, current and comparative prior period results for entities reporting in currencies other than United States dollars are converted into United States dollars at the exchange rates in effect on May 31, 2014, which was the last day of our prior fiscal year, rather than the actual exchange rates in effect during the respective periods.

(3) As of May 31, 2015, approximately \$4 million in estimated revenues related to assumed cloud software as a service and platform as a service contracts will not be recognized for fiscal 2016 due to business combination accounting rules.

(4) As of May 31, 2015, approximately \$2 million in estimated revenues related to assumed software license updates and product support contracts will not be recognized for fiscal 2016 due to business combination accounting rules.

(5) As of May 31, 2015, approximately \$1 million in estimated revenues related to hardware systems support contracts will not be recognized for fiscal 2016 due to business combination accounting rules.

(6) Stock-based compensation was included in the following GAAP operating expense categories:

	Three Months Ended May 31, 2015			Three Months Ended May 31, 2014		
	GAAP	Adj.	Non-GAAP	GAAP	Adj.	Non-GAAP
Sales and marketing	\$ 49	\$ (49)	\$ -	\$ 46	\$ (46)	\$ -
Cloud software as a service and platform as a service	3	(3)	-	3	(3)	-
Cloud infrastructure as a service	1	(1)	-	1	(1)	-
Software license updates and product support	6	(6)	-	6	(6)	-
Hardware systems products	2	(2)	-	1	(1)	-
Hardware systems support	2	(2)	-	1	(1)	-
Services	8	(8)	-	12	(12)	-
Research and development	142	(142)	-	101	(101)	-
General and administrative	31	(31)	-	45	(45)	-
Subtotal	244	(244)	-	216	(216)	-
Acquisition related and other	-	-	-	7	(7)	-
Total stock-based compensation	\$ 244	\$ (244)	\$ -	\$ 223	\$ (223)	\$ -

(7) Estimated future annual amortization expense related to intangible assets as of May 31, 2015 was as follows:

Fiscal 2016	\$ 1,624
Fiscal 2017	995
Fiscal 2018	848
Fiscal 2019	742
Fiscal 2020	598
Thereafter	1,599
Total intangible assets, net	\$ 6,406

(8) Income tax effects were calculated reflecting an effective GAAP tax rate of 25.4% and 20.5% in the fourth quarter of fiscal 2015 and 2014, respectively, and an effective non-GAAP tax rate of 25.5% and 23.0% in the fourth quarter of fiscal 2015 and 2014, respectively. The difference between our GAAP and non-GAAP tax rates in the fourth quarter of fiscal 2014 was primarily due to the net tax effects of acquisition related items, including the tax effects of amortization of intangible assets.

* Not meaningful

ORACLE CORPORATION
FISCAL 2015 YEAR TO DATE FINANCIAL RESULTS
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(\$ in millions, except per share data)

	Year Ended May 31,				% Increase (Decrease) in US \$	% Increase (Decrease) in Constant Currency (1)
	2015	% of Revenues	2014	% of Revenues		
REVENUES						
New software licenses	\$ 8,535	22%	\$ 9,416	25%	(9%)	(4%)
Cloud software as a service and platform as a service	1,485	4%	1,121	3%	32%	35%
Cloud infrastructure as a service	608	2%	456	1%	33%	36%
Software license updates and product support	18,847	49%	18,206	47%	4%	8%
Software and Cloud Revenues	29,475	77%	29,199	76%	1%	5%
Hardware systems products	2,825	8%	2,976	8%	(5%)	0%
Hardware systems support	2,380	6%	2,396	6%	(1%)	4%
Hardware Systems Revenues	5,205	14%	5,372	14%	(3%)	2%
Services Revenues	3,546	9%	3,704	10%	(4%)	0%
Total Revenues	38,226	100%	38,275	100%	0%	4%
OPERATING EXPENSES						
Sales and marketing	7,655	20%	7,567	20%	1%	6%
Cloud software as a service and platform as a service	773	2%	455	1%	70%	75%
Cloud infrastructure as a service	344	1%	308	1%	12%	14%
Software license updates and product support	1,199	3%	1,162	3%	3%	8%
Hardware systems products	1,471	4%	1,521	4%	(3%)	3%
Hardware systems support	816	2%	836	2%	(2%)	2%
Services	2,929	8%	2,954	8%	(1%)	4%
Research and development	5,524	14%	5,151	13%	7%	8%
General and administrative	1,077	3%	1,038	3%	4%	7%
Amortization of intangible assets	2,149	5%	2,300	6%	(7%)	(7%)
Acquisition related and other	211	1%	41	0%	412%	411%
Restructuring	207	1%	183	0%	14%	22%
Total Operating Expenses	24,355	64%	23,516	61%	4%	7%
OPERATING INCOME	13,871	36%	14,759	39%	(6%)	0%
Interest expense	(1,143)	(3%)	(914)	(3%)	25%	25%
Non-operating income (expense), net	106	0%	(141)	0%	175%	187%
INCOME BEFORE PROVISION FOR INCOME TAXES	12,834	33%	13,704	36%	(6%)	1%
Provision for income taxes	2,896	7%	2,749	7%	5%	13%
NET INCOME	\$ 9,938	26%	\$ 10,955	29%	(9%)	(2%)
EARNINGS PER SHARE:						
Basic	\$ 2.26		\$ 2.42			
Diluted	\$ 2.21		\$ 2.38			
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING:						
Basic	4,404		4,528			
Diluted	4,503		4,604			

(1) We compare the percent change in the results from one period to another period using constant currency disclosure. We present constant currency information to provide a framework for assessing how our underlying businesses performed excluding the effect of foreign currency rate fluctuations. To present this information, current and comparative prior period results for entities reporting in currencies other than United States dollars are converted into United States dollars at the exchange rates in effect on May 31, 2014, which was the last day of our prior fiscal year, rather than the actual exchange rates in effect during the respective periods. Movements in international currencies relative to the United States dollar during the year ended May 31, 2015 compared with the corresponding prior year period decreased our revenues by 4 percentage points, operating expenses by 3 percentage points and operating income by 6 percentage points.

ORACLE CORPORATION
FISCAL 2015 YEAR TO DATE FINANCIAL RESULTS
RECONCILIATION OF SELECTED GAAP MEASURES TO NON-GAAP MEASURES (1)
(\$ in millions, except per share data)

	Year Ended May 31,						% Increase (Decrease) in US \$		% Increase (Decrease) in Constant Currency (2)	
	2015		2015 Non-GAAP	2014		2014 Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP
	GAAP	Adj.		GAAP	Adj.					
TOTAL REVENUES (3) (4) (5)	\$ 38,226	\$ 27	\$ 38,253	\$ 38,275	\$ 31	\$ 38,306	0%	0%	4%	4%
TOTAL SOFTWARE AND CLOUD REVENUES (3) (4)	\$ 29,475	\$ 23	\$ 29,498	\$ 29,199	\$ 20	\$ 29,219	1%	1%	5%	5%
New software licenses	8,535	-	8,535	9,416	-	9,416	(9%)	(9%)	(4%)	(4%)
Cloud software as a service and platform as a service (3)	1,485	12	1,497	1,121	17	1,138	32%	32%	35%	34%
Cloud infrastructure as a service	608	-	608	456	-	456	33%	33%	36%	36%
Software license updates and product support (4)	18,847	11	18,858	18,206	3	18,209	4%	4%	8%	8%
TOTAL HARDWARE SYSTEMS REVENUES (5)	\$ 5,205	\$ 4	\$ 5,209	\$ 5,372	\$ 11	\$ 5,383	(3%)	(3%)	2%	1%
Hardware systems products	2,825	-	2,825	2,976	-	2,976	(5%)	(5%)	0%	0%
Hardware systems support (5)	2,380	4	2,384	2,396	11	2,407	(1%)	(1%)	4%	3%
TOTAL OPERATING EXPENSES	\$ 24,355	\$ (3,495)	\$ 20,860	\$ 23,516	\$ (3,319)	\$ 20,197	4%	3%	7%	7%
Stock-based compensation (6)	928	(928)	-	795	(795)	-	17%	*	17%	*
Amortization of intangible assets (7)	2,149	(2,149)	-	2,300	(2,300)	-	(7%)	*	(7%)	*
Acquisition related and other	211	(211)	-	41	(41)	-	412%	*	411%	*
Restructuring	207	(207)	-	183	(183)	-	14%	*	22%	*
OPERATING INCOME	\$ 13,871	\$ 3,522	\$ 17,393	\$ 14,759	\$ 3,350	\$ 18,109	(6%)	(4%)	0%	1%
OPERATING MARGIN %	36%		45%	39%		47%	(22) bp.	(180) bp.	(146) bp.	(135) bp.
INCOME TAX EFFECTS (8)	\$ 2,896	\$ 971	\$ 3,867	\$ 2,749	\$ 1,091	\$ 3,840	5%	1%	13%	7%
NET INCOME	\$ 9,938	\$ 2,551	\$ 12,489	\$ 10,955	\$ 2,259	\$ 13,214	(9%)	(5%)	(2%)	0%
DILUTED EARNINGS PER SHARE	\$ 2.21		\$ 2.77	\$ 2.38		\$ 2.87	(7%)	(3%)	0%	2%
DILUTED WEIGHTED AVERAGE COMMON SHARES OUTSTANDING	4,503	-	4,503	4,604	-	4,604	(2%)	(2%)	(2%)	(2%)

(1) This presentation includes non-GAAP measures. Our non-GAAP 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. For a detailed explanation of the adjustments made to comparable GAAP measures, the reasons why management uses these measures, the usefulness of these measures and the material limitations on the usefulness of these measures, please see Appendix A.

(2) We compare the percent change in the results from one period to another period using constant currency disclosure. We present constant currency information to provide a framework for assessing how our underlying businesses performed excluding the effect of foreign currency rate fluctuations. To present this information, current and comparative prior period results for entities reporting in currencies other than United States dollars are converted into United States dollars at the exchange rates in effect on May 31, 2014, which was the last day of our prior fiscal year, rather than the actual exchange rates in effect during the respective periods.

(3) As of May 31, 2015, approximately \$4 million in estimated revenues related to assumed cloud software as a service and platform as a service contracts will not be recognized for fiscal 2016 due to business combination accounting rules.

(4) As of May 31, 2015, approximately \$2 million in estimated revenues related to assumed software license updates and product support contracts will not be recognized for fiscal 2016 due to business combination accounting rules.

(5) As of May 31, 2015, approximately \$1 million in estimated revenues related to hardware systems support contracts will not be recognized for fiscal 2016 due to business combination accounting rules.

(6) Stock-based compensation was included in the following GAAP operating expense categories:

	Year Ended May 31, 2015			Year Ended May 31, 2014		
	GAAP	Adj.	Non-GAAP	GAAP	Adj.	Non-GAAP
Sales and marketing	\$ 180	\$ (180)	\$ -	\$ 165	\$ (165)	\$ -
Cloud software as a service and platform as a service	10	(10)	-	8	(8)	-
Cloud infrastructure as a service	5	(5)	-	4	(4)	-
Software license updates and product support	21	(21)	-	22	(22)	-
Hardware systems products	6	(6)	-	5	(5)	-
Hardware systems support	6	(6)	-	6	(6)	-
Services	30	(30)	-	29	(29)	-
Research and development	522	(522)	-	385	(385)	-
General and administrative	148	(148)	-	171	(171)	-
Subtotal	928	(928)	-	795	(795)	-
Acquisition related and other	5	(5)	-	10	(10)	-
Total stock-based compensation	\$ 933	\$ (933)	\$ -	\$ 805	\$ (805)	\$ -

(7) Estimated future annual amortization expense related to intangible assets as of May 31, 2015 was as follows:

Fiscal 2016	\$ 1,624
Fiscal 2017	995
Fiscal 2018	848
Fiscal 2019	742
Fiscal 2020	598
Thereafter	1,599
Total intangible assets, net	\$ 6,406

(8) Income tax effects were calculated reflecting an effective GAAP tax rate of 22.6% and 20.1% in fiscal 2015 and 2014, respectively, and an effective non-GAAP tax rate of 23.6% and 22.5% in fiscal 2015 and 2014, respectively. The differences between our GAAP and non-GAAP tax rates in fiscal 2015 and 2014 were primarily due to the net tax effects of acquisition related items, primarily the tax effects of amortization of intangible assets.

* Not meaningful

ORACLE CORPORATION
FISCAL 2015 FINANCIAL RESULTS
CONDENSED CONSOLIDATED BALANCE SHEETS
(\$ in millions)

	May 31, 2015	May 31, 2014
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 21,716	\$ 17,769
Marketable securities	32,652	21,050
Trade receivables, net	5,618	6,087
Inventories	314	189
Deferred tax assets	663	914
Prepaid expenses and other current assets	2,220	2,119
Total Current Assets	63,183	48,128
Non-Current Assets:		
Property, plant and equipment, net	3,686	3,061
Intangible assets, net	6,406	6,137
Goodwill	34,087	29,652
Deferred tax assets	795	837
Other assets	2,746	2,451
Total Non-Current Assets	47,720	42,138
TOTAL ASSETS	\$ 110,903	\$ 90,266
LIABILITIES AND EQUITY		
Current Liabilities:		
Notes payable, current	\$ 1,999	\$ 1,508
Accounts payable	806	471
Accrued compensation and related benefits	1,839	1,940
Income taxes payable	532	416
Deferred revenues	7,245	7,269
Other current liabilities	2,870	2,785
Total Current Liabilities	15,291	14,389
Non-Current Liabilities:		
Notes payable, non-current	39,959	22,589
Income taxes payable	4,386	4,184
Other non-current liabilities	2,169	1,657
Total Non-Current Liabilities	46,514	28,430
Equity	49,098	47,447
TOTAL LIABILITIES AND EQUITY	\$ 110,903	\$ 90,266

ORACLE CORPORATION
FISCAL 2015 FINANCIAL RESULTS
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(\$ in millions)

	Year Ended May 31,	
	2015	2014
Cash Flows From Operating Activities:		
Net income	\$ 9,938	\$ 10,955
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	712	608
Amortization of intangible assets	2,149	2,300
Deferred income taxes	(548)	(248)
Stock-based compensation	933	805
Tax benefits on the exercise of stock options and vesting of restricted stock-based awards	396	480
Excess tax benefits on the exercise of stock options and vesting of restricted stock-based awards	(244)	(250)
Other, net	327	311
Changes in operating assets and liabilities, net of effects from acquisitions:		
Decrease in trade receivables, net	264	146
(Increase) decrease in inventories	(96)	57
Increase in prepaid expenses and other assets	(387)	(143)
Increase in accounts payable and other liabilities	247	48
Decrease in income taxes payable	(10)	(320)
Increase in deferred revenues	655	172
Net cash provided by operating activities	14,336	14,921
Cash Flows From Investing Activities:		
Purchases of marketable securities and other investments	(31,421)	(32,316)
Proceeds from maturities and sales of marketable securities and other investments	20,004	28,845
Acquisitions, net of cash acquired	(6,239)	(3,488)
Capital expenditures	(1,391)	(580)
Net cash used for investing activities	(19,047)	(7,539)
Cash Flows From Financing Activities:		
Payments for repurchases of common stock	(8,087)	(9,813)
Proceeds from issuances of common stock	1,802	2,135
Payments of dividends to stockholders	(2,255)	(2,178)
Proceeds from borrowings, net of issuance costs	19,842	5,566
Repayments of borrowings	(1,500)	-
Excess tax benefits on the exercise of stock options and vesting of restricted stock-based awards	244	250
Distributions to noncontrolling interests	(196)	(28)
Net cash provided by (used for) financing activities	9,850	(4,068)
Effect of exchange rate changes on cash and cash equivalents	(1,192)	(158)
Net increase in cash and cash equivalents	3,947	3,156
Cash and cash equivalents at beginning of period	17,769	14,613
Cash and cash equivalents at end of period	\$ 21,716	\$ 17,769

ORACLE CORPORATION
FISCAL 2015 FINANCIAL RESULTS
FREE CASH FLOW - TRAILING 4-QUARTERS (1)
(\$ in millions)

	Fiscal 2014				Fiscal 2015			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GAAP Operating Cash Flow	\$ 14,845	\$ 15,196	\$ 15,029	\$ 14,921	\$ 15,357	\$ 15,273	\$ 14,509	\$ 14,336
Capital Expenditures (2)	(664)	(578)	(609)	(580)	(628)	(727)	(948)	(1,391)
Free Cash Flow	\$ 14,181	\$ 14,618	\$ 14,420	\$ 14,341	\$ 14,729	\$ 14,546	\$ 13,561	\$ 12,945
% Growth over prior year	6%	14%	11%	6%	4%	0%	(6)%	(10)%
GAAP Net Income	\$ 11,082	\$ 11,054	\$ 11,115	\$ 10,955	\$ 10,948	\$ 10,896	\$ 10,827	\$ 9,938
Free Cash Flow as a % of Net Income	128%	132%	130%	131%	135%	133%	125%	130%

(1) To supplement our statements of cash flows presented on a GAAP basis, we use non-GAAP measures of cash flows on a trailing 4-quarter basis to analyze cash flow generated from operations. We believe free cash flow is also useful as one of the bases for comparing our performance with our competitors. The presentation of non-GAAP free cash flow is not meant to be considered in isolation or as an alternative to net income as an indicator of our performance, or as an alternative to cash flows from operating activities as a measure of liquidity.

(2) Derived from capital expenditures as reported in cash flows from investing activities as per our consolidated statements of cash flows presented in accordance with GAAP.

ORACLE CORPORATION
FISCAL 2015 FINANCIAL RESULTS
SUPPLEMENTAL ANALYSIS OF GAAP REVENUES AND HEADCOUNT (1)
(\$ in millions)

	Fiscal 2014					Fiscal 2015				
	Q1	Q2	Q3	Q4	TOTAL	Q1	Q2	Q3	Q4	TOTAL
REVENUES										
New software licenses	\$ 1,399	\$ 2,121	\$ 2,128	\$ 3,769	\$ 9,416	\$ 1,370	\$ 2,045	\$ 1,982	\$ 3,138	\$ 8,535
Cloud software as a service and platform as a service	254	259	287	322	1,121	337	361	372	416	1,485
Cloud infrastructure as a service	109	97	121	128	456	138	155	155	160	608
Software license updates and product support	4,431	4,516	4,564	4,695	18,206	4,731	4,768	4,661	4,686	18,847
Software and Cloud Revenues	6,193	6,993	7,100	8,914	29,199	6,576	7,329	7,170	8,400	29,475
Hardware systems products	669	714	725	870	2,976	578	717	712	818	2,825
Hardware systems support	592	609	598	596	2,396	587	617	587	589	2,380
Hardware Systems Revenues	1,261	1,323	1,323	1,466	5,372	1,165	1,334	1,299	1,407	5,205
Services Revenues	918	959	884	940	3,704	855	935	858	899	3,546
Total Revenues	\$ 8,372	\$ 9,275	\$ 9,307	\$ 11,320	\$ 38,275	\$ 8,596	\$ 9,598	\$ 9,327	\$ 10,706	\$ 38,226
AS REPORTED REVENUE GROWTH RATES										
New software licenses	2%	(2%)	1%	0%	0%	(2%)	(4%)	(7%)	(17%)	(9%)
Cloud software as a service and platform as a service	25%	19%	24%	25%	23%	32%	39%	30%	29%	32%
Cloud infrastructure as a service	(9%)	(15%)	10%	13%	0%	26%	60%	28%	25%	33%
Software license updates and product support	7%	6%	5%	7%	6%	7%	6%	2%	0%	4%
Software and Cloud Revenues	6%	3%	5%	4%	5%	6%	5%	1%	(6%)	1%
Hardware systems products	(14%)	(3%)	8%	2%	(2%)	(14%)	0%	(2%)	(6%)	(5%)
Hardware systems support	3%	4%	5%	2%	4%	(1%)	1%	(2%)	(1%)	(1%)
Hardware Systems Revenues	(7%)	0%	7%	2%	0%	(8%)	1%	(2%)	(4%)	(3%)
Services Revenues	(8%)	(5%)	(5%)	(4%)	(5%)	(7%)	(3%)	(3%)	(4%)	(4%)
Total Revenues	2%	2%	4%	3%	3%	3%	3%	0%	(5%)	0%
CONSTANT CURRENCY GROWTH RATES (2)										
New software licenses	5%	0%	3%	(1%)	1%	(2%)	0%	0%	(10%)	(4%)
Cloud software as a service and platform as a service	26%	20%	25%	25%	24%	32%	41%	34%	35%	35%
Cloud infrastructure as a service	(7%)	(14%)	11%	13%	1%	25%	62%	32%	31%	36%
Software license updates and product support	8%	7%	7%	6%	7%	6%	9%	8%	8%	8%
Software and Cloud Revenues	8%	5%	6%	4%	5%	6%	8%	7%	2%	5%
Hardware systems products	(13%)	(2%)	10%	3%	(1%)	(14%)	4%	6%	3%	0%
Hardware systems support	5%	5%	7%	2%	5%	(2%)	5%	4%	7%	4%
Hardware Systems Revenues	(6%)	1%	9%	3%	2%	(8%)	4%	5%	5%	2%
Services Revenues	(6%)	(3%)	(3%)	(3%)	(4%)	(8%)	1%	3%	5%	0%
Total Revenues	4%	3%	6%	3%	4%	2%	7%	6%	3%	4%
GEOGRAPHIC REVENUES										
REVENUES										
Americas	\$ 4,517	\$ 4,995	\$ 4,953	\$ 5,857	\$ 20,323	\$ 4,620	\$ 5,221	\$ 5,134	\$ 6,133	\$ 21,107
Europe, Middle East & Africa	2,439	2,817	2,923	3,768	11,946	2,589	2,911	2,813	3,067	11,380
Asia Pacific	1,416	1,463	1,431	1,695	6,006	1,387	1,466	1,380	1,506	5,739
Total Revenues	\$ 8,372	\$ 9,275	\$ 9,307	\$ 11,320	\$ 38,275	\$ 8,596	\$ 9,598	\$ 9,327	\$ 10,706	\$ 38,226
HEADCOUNT										
GEOGRAPHIC AREA										
Americas	53,465	53,073	53,799	53,827		54,073	57,243	58,117	58,415	
Europe, Middle East & Africa	23,349	23,178	23,350	23,339		23,349	26,997	26,989	26,988	
Asia Pacific	45,513	45,617	45,561	45,108		45,496	46,312	46,456	46,962	
Total Company	122,327	121,868	122,710	122,274		122,918	130,552	131,562	132,365	

(1) The sum of the quarterly financial information may vary from year-to-date financial information due to rounding.

(2) We compare the percent change in the results from one period to another period using constant currency disclosure. We present constant currency information to provide a framework for assessing how our underlying businesses performed excluding the effect of foreign currency rate fluctuations. To present this information, current and comparative prior period results for entities reporting in currencies other than United States dollars are converted into United States dollars at the exchange rates in effect on May 31, 2014 and 2013 for the fiscal 2015 and fiscal 2014 constant currency growth rate calculations presented, respectively, rather than the actual exchange rates in effect during the respective periods.

ORACLE CORPORATION
FISCAL 2015 FINANCIAL RESULTS
SUPPLEMENTAL GEOGRAPHIC REVENUES ANALYSIS (1)
(\$ in millions)

	Fiscal 2014					Fiscal 2015				
	Q1	Q2	Q3	Q4	TOTAL	Q1	Q2	Q3	Q4	TOTAL
AMERICAS										
Software and cloud revenues	\$ 3,434	\$ 3,808	\$ 3,847	\$ 4,649	\$ 15,737	\$ 3,614	\$ 4,044	\$ 4,021	\$ 4,926	\$ 16,604
Hardware systems revenues	\$ 640	\$ 694	\$ 655	\$ 747	\$ 2,736	\$ 583	\$ 716	\$ 686	\$ 751	\$ 2,737
AS REPORTED GROWTH RATES										
Software and cloud revenues	9%	5%	5%	(1%)	4%	5%	6%	5%	6%	6%
Hardware systems revenues	(2%)	7%	14%	3%	5%	(9%)	3%	5%	1%	0%
CONSTANT CURRENCY GROWTH RATES (2)										
Software and cloud revenues	9%	6%	7%	1%	5%	6%	8%	7%	9%	7%
Hardware systems revenues	(1%)	8%	16%	5%	6%	(8%)	5%	7%	4%	2%
EUROPE / MIDDLE EAST / AFRICA										
Software and cloud revenues	\$ 1,816	\$ 2,155	\$ 2,245	\$ 3,032	\$ 9,249	\$ 1,992	\$ 2,234	\$ 2,169	\$ 2,369	\$ 8,764
Hardware systems revenues	\$ 358	\$ 372	\$ 403	\$ 440	\$ 1,572	\$ 338	\$ 380	\$ 379	\$ 423	\$ 1,519
AS REPORTED GROWTH RATES										
Software and cloud revenues	7%	8%	8%	15%	10%	10%	4%	(3%)	(22%)	(5%)
Hardware systems revenues	(11%)	(5%)	3%	7%	(1%)	(6%)	2%	(6%)	(4%)	(3%)
CONSTANT CURRENCY GROWTH RATES (2)										
Software and cloud revenues	4%	6%	6%	10%	7%	7%	9%	9%	(8%)	3%
Hardware systems revenues	(13%)	(6%)	2%	3%	(3%)	(7%)	8%	8%	15%	6%
ASIA PACIFIC										
Software and cloud revenues	\$ 943	\$ 1,030	\$ 1,008	\$ 1,233	\$ 4,213	\$ 970	\$ 1,051	\$ 980	\$ 1,105	\$ 4,107
Hardware systems revenues	\$ 263	\$ 257	\$ 265	\$ 279	\$ 1,064	\$ 244	\$ 238	\$ 234	\$ 233	\$ 949
AS REPORTED GROWTH RATES										
Software and cloud revenues	(3%)	(9%)	(5%)	0%	(4%)	3%	2%	(3%)	(10%)	(3%)
Hardware systems revenues	(12%)	(9%)	(3%)	(4%)	(7%)	(8%)	(7%)	(12%)	(16%)	(11%)
CONSTANT CURRENCY GROWTH RATES (2)										
Software and cloud revenues	8%	0%	3%	3%	3%	2%	7%	4%	(1%)	3%
Hardware systems revenues	(5%)	(3%)	3%	(3%)	(2%)	(8%)	(3%)	(6%)	(8%)	(6%)
TOTAL COMPANY										
Software and cloud revenues	\$ 6,193	\$ 6,993	\$ 7,100	\$ 8,914	\$ 29,199	\$ 6,576	\$ 7,329	\$ 7,170	\$ 8,400	\$ 29,475
Hardware systems revenues	\$ 1,261	\$ 1,323	\$ 1,323	\$ 1,466	\$ 5,372	\$ 1,165	\$ 1,334	\$ 1,299	\$ 1,407	\$ 5,205
AS REPORTED GROWTH RATES										
Software and cloud revenues	6%	3%	5%	4%	5%	6%	5%	1%	(6%)	1%
Hardware systems revenues	(7%)	0%	7%	2%	0%	(8%)	1%	(2%)	(4%)	(3%)
CONSTANT CURRENCY GROWTH RATES (2)										
Software and cloud revenues	8%	5%	6%	4%	5%	6%	8%	7%	2%	5%
Hardware systems revenues	(6%)	1%	9%	3%	2%	(8%)	4%	5%	5%	2%

(1) The sum of the quarterly financial information may vary from year-to-date financial information due to rounding.

(2) We compare the percent change in the results from one period to another period using constant currency disclosure. We present constant currency information to provide a framework for assessing how our underlying businesses performed excluding the effect of foreign currency rate fluctuations. To present this information, current and comparative prior period results for entities reporting in currencies other than United States dollars are converted into United States dollars at the exchange rates in effect on May 31, 2014 and 2013 for the fiscal 2015 and fiscal 2014 constant currency growth rate calculations presented, respectively, rather than the actual exchange rates in effect during the respective periods.

ORACLE CORPORATION
Q4 FISCAL 2015 FINANCIAL RESULTS
EXPLANATION OF NON-GAAP MEASURES

To supplement our financial results presented on a GAAP basis, we use the non-GAAP measures indicated in the tables, which exclude certain business combination accounting entries and expenses related to acquisitions, as well as 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. Our management regularly uses our supplemental non-GAAP financial measures internally to understand, manage and evaluate our business and make operating decisions. These non-GAAP measures are among the primary factors management uses in planning for and forecasting future periods. Compensation of our executives is based in part on the performance of our business based on these non-GAAP measures. Our non-GAAP financial measures reflect adjustments based on the following items, as well as the related income tax effects:

- Cloud software as a service and platform as a service, software license updates and product support and hardware systems support deferred revenues: Business combination accounting rules require us to account for the fair values of cloud software as a service and platform as a service contracts, software license updates and product support contracts and hardware systems support contracts assumed in connection with our acquisitions. Because these contracts are generally one year in duration, our GAAP revenues generally for the one year period subsequent to our acquisition of a business do not reflect the full amount of revenues on these assumed cloud and support contracts that would have otherwise been recorded by the acquired entity. The non-GAAP adjustment to our cloud software as a service and platform as a service revenues, software license updates and product support revenues and hardware systems support revenues is intended to include, and thus reflect, the full amount of such revenues. We believe the adjustment to these revenues is useful to investors as a measure of the ongoing performance of our business. We have historically experienced high renewal rates on our software license updates and product support contracts and our objective is to increase the renewal rates on acquired and new cloud software as a service and platform as a service and hardware systems support contracts; however, we cannot be certain that our customers will renew our cloud software as a service and platform as a service contracts, software license updates and product support contracts or our hardware systems support contracts.
- Stock-based compensation expenses: We have excluded the effect of stock-based compensation expenses from our non-GAAP operating expenses and net income measures. Although stock-based compensation is a key incentive offered to our employees, and we believe such compensation contributed to the revenues earned during the periods presented and also believe it will contribute to the generation of future period revenues, we continue to evaluate our business performance excluding stock-based compensation expenses. Stock-based compensation expenses will recur in future periods.
- Amortization of intangible assets: We have excluded the effect of amortization of intangible assets from our non-GAAP operating expenses and net income measures. Amortization of intangible assets is inconsistent in amount and frequency and is significantly affected by the timing and size of our acquisitions. Investors should note that the use of intangible assets contributed to our revenues earned during the periods presented and will contribute to our future period revenues as well. Amortization of intangible assets will recur in future periods.
- Acquisition related and other expenses; and restructuring expenses: We have excluded the effect of acquisition related and other expenses and the effect of restructuring expenses from our non-GAAP operating expenses and net income measures. We incurred significant expenses in connection with our acquisitions and also incurred certain other operating expenses or income, which we generally would not have otherwise incurred in the periods presented as a part of our continuing operations. Acquisition related and other expenses consist of personnel related costs for transitional employees, other acquired employee related costs, stock-based compensation expenses (in addition to the stock-based compensation expenses described above), integration related professional services, certain business combination adjustments including adjustments after the measurement period has ended and certain other operating items, net. Substantially all of the stock-based compensation expenses included in acquisition related and other expenses resulted from unvested options assumed in acquisitions whose vesting was fully accelerated upon termination of the employees pursuant to the original terms of those options. Restructuring expenses consist of employee severance and other exit costs. We believe it is useful for investors to understand the effects of these items on our total operating expenses. Although acquisition related expenses and restructuring expenses generally diminish over time with respect to past acquisitions, we generally will incur these expenses in connection with any future acquisitions.