Annual Stockholder Meeting

Jeff Henley
Oracle Vice Chairman

November 18, 2015
Safe Harbor Statement

Statements in this presentation relating to Oracle’s future plans, expectations, beliefs, intentions and prospects, are “forward-looking statements” and are subject to material risks and uncertainties. Many factors could affect our current expectations and our actual results, and could cause actual results to differ materially. A detailed discussion of these factors and other risks that affect our business is contained in our U.S. Securities and Exchange Commission (SEC) filings, including our most recent reports on Form 10-K and Form 10-Q, particularly under the heading “Risk Factors.” Copies of these filings are available online from the SEC or by contacting Oracle’s Investor Relations Department at (650) 506-4073 or by clicking on SEC Filings on Oracle’s Investor Relations website at http://www.oracle.com/investor. All information set forth in this presentation is current as of November 18, 2015. Oracle undertakes no duty to update any statement in light of new information or future events.
Non-GAAP Financial Measures

To supplement our financial results presented on a GAAP basis, we use non-GAAP measures, which exclude certain business combination accounting entries and expenses related to acquisitions and 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. Today’s discussion includes certain non-GAAP financial measures, which were included in our earnings releases. A PDF copy of these press releases and financial tables, which include a GAAP to non-GAAP reconciliation, can be viewed and downloaded on the Oracle Investor Relations website at www.oracle.com/investor.
Company Profile

**Scale**
- $38.2B in revenue in FY15
- 420,000 customers in 145 countries, including 100 of the Fortune 100
- $39B in R&D since 2004
- $60B on more than 100 acquisitions
- More than 25,000 partners
- More than 130,000 employees
- 18,000 customer support specialists, speaking 29 languages
- 17,000 implementation consultants
- 2.6 million students supported annually

**Innovation**
- #1 in 50 product/industry categories
- #2 software company in the world
- #2 cloud company in the world
- #16 of 100 Top Global Brands, Interbrand 2015
- More than 17,000 patents worldwide
- 37,000 developers and engineers
- 2.5 million registered members of the Oracle Technology Network Community
- 900 independent Oracle user groups with 500,000 members
Oracle Strategy

- Horizontal & Industry Applications
- Cloud . . . Applications, Platform, Infrastructure
- Vertical Integration of the Stack
- Best of Breed Products & Cloud Services
Leader in Key Segments

Technology
- Application Server
- Database
- Database on Linux
- Database on Unix
- Data Warehouse
- Embedded Database
- Engineered Systems
- Middleware

Applications
- Business Analytics
- Enterprise Performance Management
- Lead Management
- Marketing Automation
- Supply Chain Execution
- Talent Management
- Talent Recruiting

Industries
- Banking
- Communications
- Financial Services
- Healthcare
- Public Sector
- Retail

Copyright © 2015, Oracle and/or its affiliates. All rights reserved
A Better Way: Cloud Computing

- Lower cost
- Less complexity
- More reliability
- Better security
- Rapid innovation
- Simple
Cloud – Simple, Economical, Continuous Innovation

Deploy Anywhere

On-Premise or Private Cloud

Manage
Secure
Optimize Performance
Lower TCO

Cloud

Move workloads between on-premises and public cloud
Oracle Cloud

Data-as-a-Service

Software-as-a-Service

Platform-as-a-Service

Infrastructure-as-a-Service
## Fiscal Year 2015 Financial Performance

<table>
<thead>
<tr>
<th></th>
<th>FY 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cloud SaaS &amp; PaaS Revenue</td>
<td>+34%</td>
</tr>
<tr>
<td>Total Software &amp; Cloud Revenue</td>
<td>+5%</td>
</tr>
<tr>
<td>Total Hardware Revenue</td>
<td>+1%</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>+4%</td>
</tr>
<tr>
<td>Operating Income</td>
<td>+1%</td>
</tr>
<tr>
<td>Operating Margin</td>
<td>45%</td>
</tr>
<tr>
<td>Earnings per Share</td>
<td>+2%</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>$13B</td>
</tr>
</tbody>
</table>

Year-over-year growth rates are non-GAAP and presented in constant currency. GAAP to Non-GAAP reconciliations available at [www.oracle.com/investor](http://www.oracle.com/investor)
Revenue – FY15 Geographic Distribution

- **Americas**: 55% of Revenue
- **EMEA**: 30% of Revenue
- **Asia Pacific**: 15% of Revenue
Revenue – FY15 Line of Business Distribution

- **Software**: 77% of Revenue
- **Hardware**: 14% of Revenue
- **Services**: 9% of Revenue
Revenue – FY15 Line of Business Distribution

- **On-Premise Software**: 72% of Revenue
- **Hardware**: 14% of Revenue
- **Cloud**: 5% of Revenue
- **Services**: 9% of Revenue
Software Revenue is Growing

7% Five-Year Compounded Growth

Compounded annual growth rates are non-GAAP, constant currency. GAAP to Non-GAAP reconciliations available at www.oracle.com/investor
Cloud Revenue is Growing Rapidly

41% Five-Year Compounded Growth

Compounded annual growth rates are non-GAAP, constant currency. GAAP to Non-GAAP reconciliations available at www.oracle.com/investor
Our Business Model Drives Recurring Revenue

Source: Non-GAAP results. GAAP to Non-GAAP reconciliations are available at www.oracle.com/investor. “First Year Support” is an internal estimate and assumes 100% software support attach, 22% pricing and all sales at the end of the quarter. “Continuing Support” is non-GAAP software support, as reported, less “First Year Support”
Capital Allocation

FY13-FY15 Buybacks & Dividends 3X of FY10-FY12

Source: Internal Analysis
A Very Healthy Balance Sheet

- Return on Equity (TTM) 20%
- Return on Assets (TTM) 9%
- Cash & Investment (MRQ) $56B
- Debt to Equity (MRQ) 1.31x
- Net Cash (MRQ) $14B

Above figures are based on GAAP results for the four most recent quarters including Q1 FY2016. TTM – Trailing Twelve Months; MRQ – Q1 FY2016