

ORACLE

Oracle CloudWorld

Financial Analyst Meeting

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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, and a GAAP to non-GAAP reconciliation can be viewed at the end of this presentation.

Future Product Direction



The following is intended to outline our general product direction. It is intended for information purposes only, and may not be incorporated into any contract. It is not a commitment to deliver any material, code, or functionality, and should not be relied upon in making purchasing decisions. The development, release, timing, and pricing of any features or functionality described for Oracle's products may change and remains at the sole discretion of Oracle Corporation.



Oracle's Most Recent Milestone



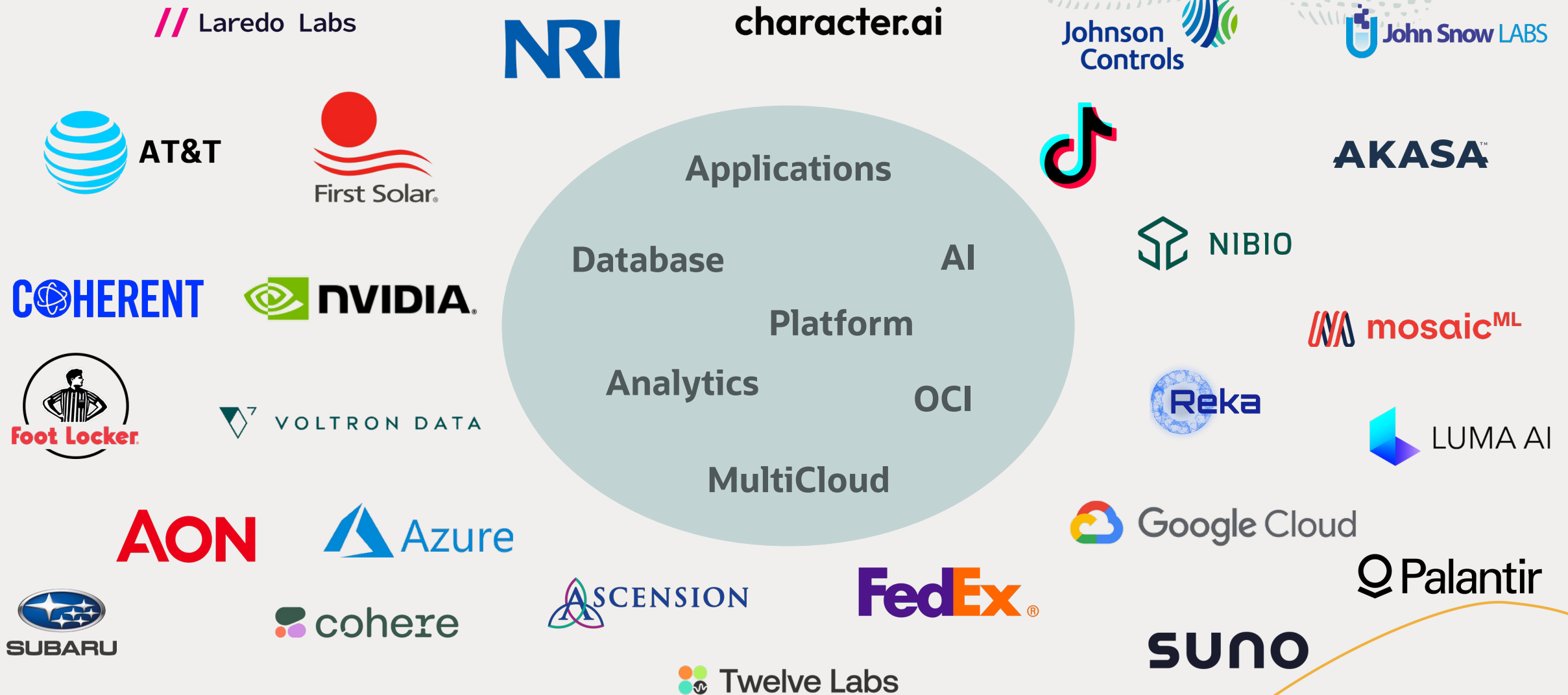
> \$99 Billion RPO

+52% y/y

as of Q1'FY25

Note: RPO (Remaining Performance Obligations) growth rate is in constant currency (CD). RPO is detailed in the Oracle 10-K/Q filings.

RPO Driven by Broad Based Demand for Oracle Cloud



Based on the RPO Backlog, Oracle Issued Guidance for 10% Growth in FY25

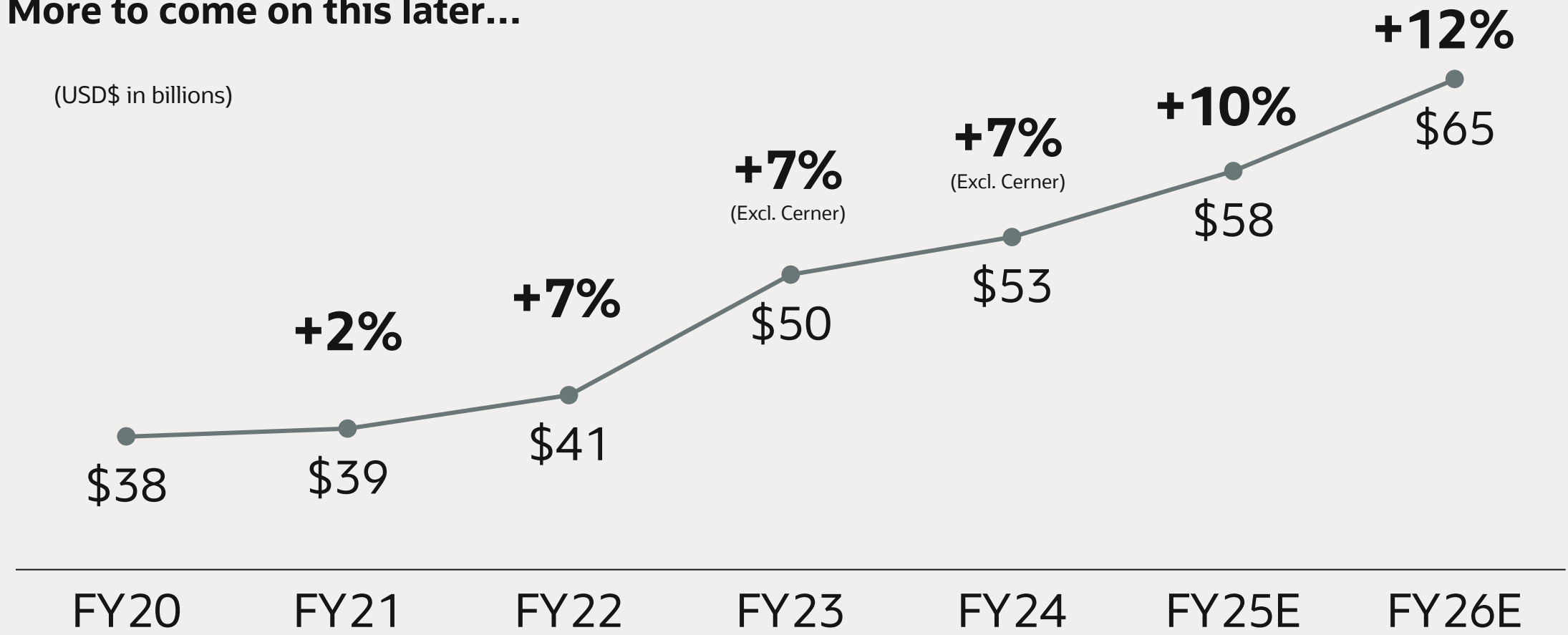
(USD\$ in billions)



Note: Non-GAAP amounts shown in USD and growth rates shown in constant currency. Oracle FY25 based on guidance.

And Based on RPO Backlog, Oracle Now Expects to Exceed the FY26 Revenue Target Given Previously

More to come on this later...



Note: Non-GAAP amounts shown in USD and growth rates shown in constant currency. Oracle FY25 based on guidance and FY26 based on previously provided target.

Why Is Oracle Confident in Its Ability to Deliver?



- 1 We've Built the Most Comprehensive and Flexible Set of Enterprise Technologies for the Cloud**
- 2 Our Product Advantages Are Driving Customer Wins and Momentum**
- 3 We Are Building Cloud Capacity to Convert Bookings into Accelerating Revenues and Profits**





The Most Comprehensive and Flexible Enterprise Technologies for the Cloud



The Most Complete Cloud Portfolio to Power Customer Transformation



**AI
Transforms
Everything**

The Most Complete Cloud Portfolio to Power Customer Transformation

Transform the Industry

Healthcare, Financial Services, Retail, Government, Travel and Transportation, etc.



Transform the Process

Innovate with the combination of AI, Apps, Tech, and Data



Transform the Data

Oracle 23ai, Autonomous Data Warehouse, Oracle Analytics Cloud, HeatWave MySQL








Transform the Function

Fusion Suite (Finance, HR, Supply Chain, IT, Analytics), NetSuite



**Oracle
Powers the
Transformation**

Plus the Most Flexibility with the Widest Range of Cloud Delivery Options

	Oracle Data Center	Customer or Partner Data Center
Specific Workloads	Exadata Database Service	Exadata Cloud@Customer Compute Cloud@Customer
Commercial	 Public Regions	 MultiCloud
Government or National Security	 Government Regions; National Security Regions; Isolated Regions	 Alloy; Dedicated Region Cloud@Customer (DRCC)
Sovereign	 Sovereign	
Custom (including Business Model, Branding, and Operations)		
Consistent Pricing and Same Cloud Stack, Anywhere		

Plus the Most Flexibility with the Widest Range of Cloud Delivery Options

Oracle



3 racks

140x

Other Hyperscalers

Hundreds of racks

Consistent Pricing

Plus the Strongest Customer Success Focus in the Industry



1. Train and Prepare

Plan, train and guide customers at outset



2. Implement and Go-Live

Experience smooth, on-time go-lives

4. Continuously Improve

Get the latest innovations and next best Oracle product

3. Operate

Drive value realization and proactively resolve issues

**Best
Technology**



**Most
Flexibility**



**Customer
Success
Obsession**



Cloud Momentum



These Product Advantages Are Driving Customer Wins and Momentum

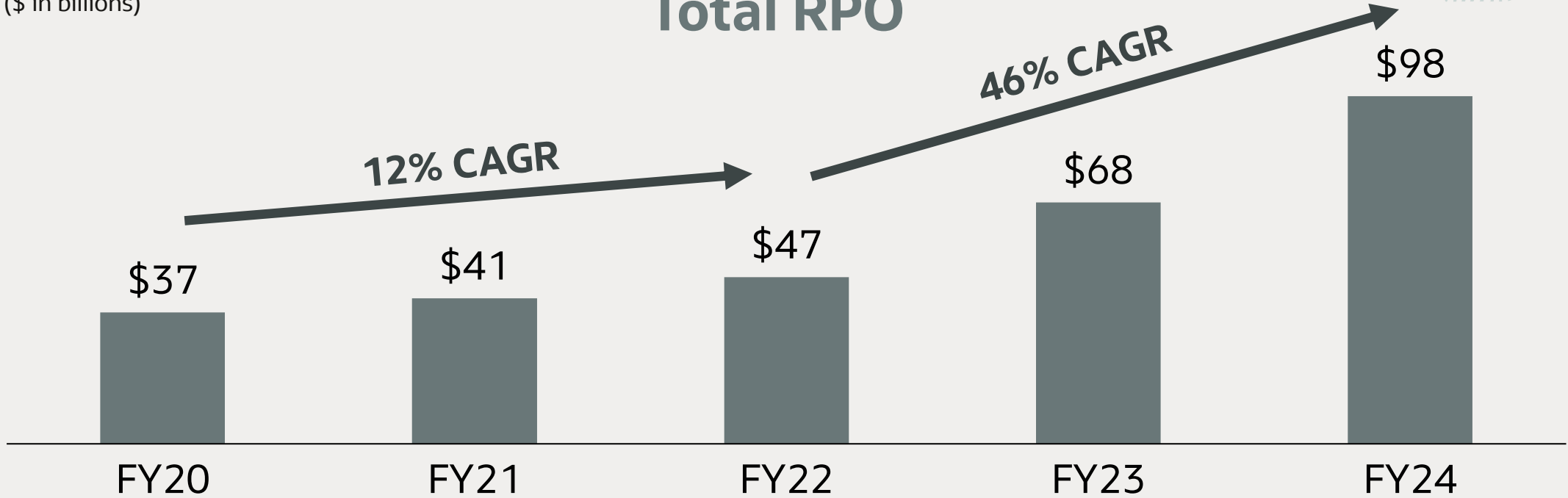


Customers Are Purchasing Oracle Cloud with Greater Velocity

**Now Over
\$99 Billion**

(\$ in billions)

Total RPO



% of RPO
from Cloud



Note: Growth rates shown in constant currency.

Our Accelerating Momentum Has Been Building in Phases

1 **Converting Our Install Base of On-Premise Customers to the Cloud**



2 **Landing New Customers Through Our Unique Technology Advantages**

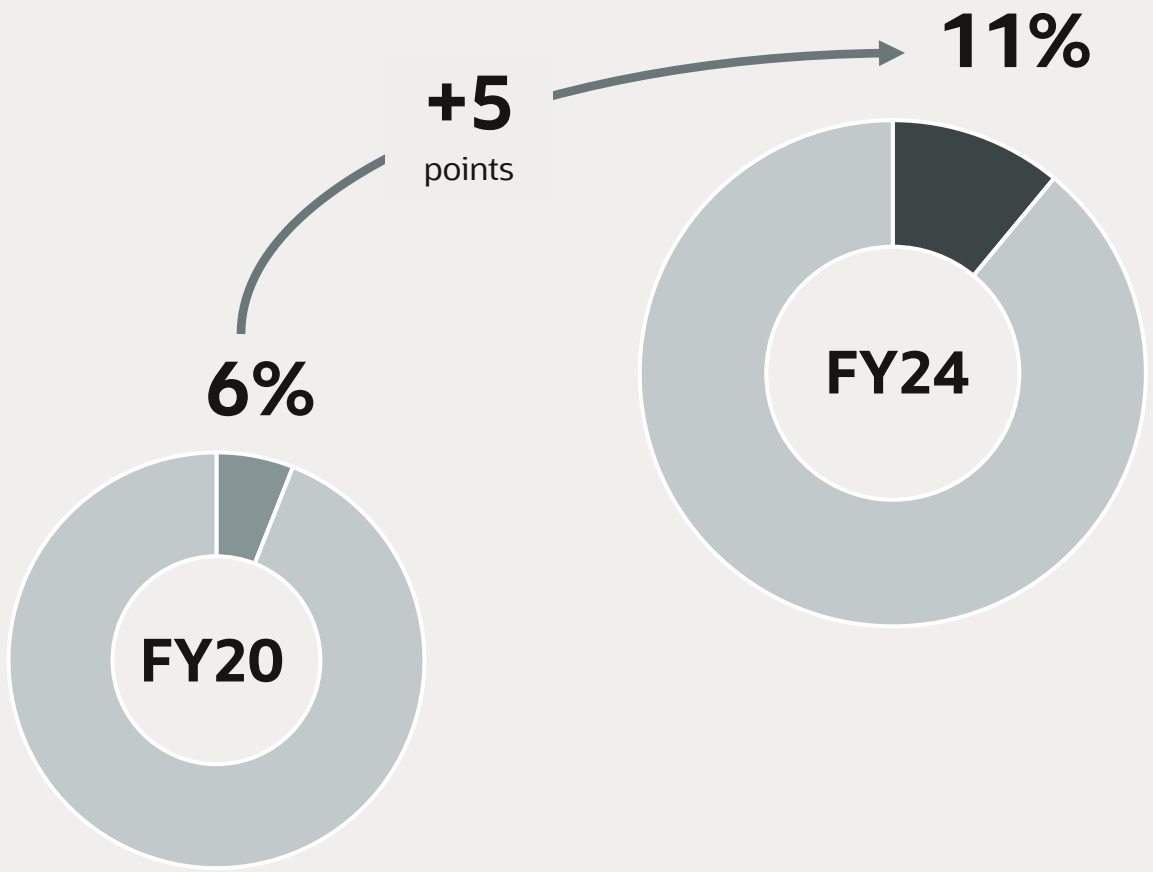


3 **Providing Customers Choice Through Our MultiCloud Offerings**

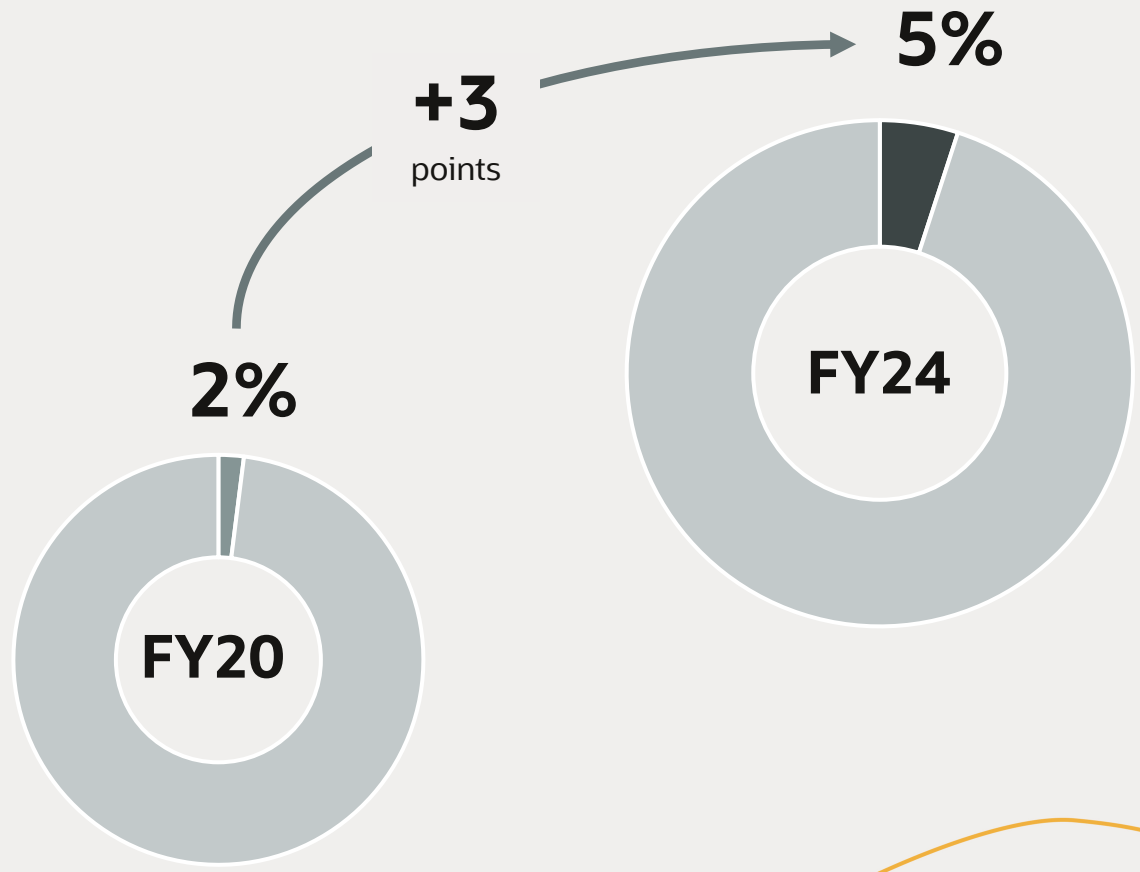


Support Base Has Continued to Migrate, But Still in the Early Innings

Applications



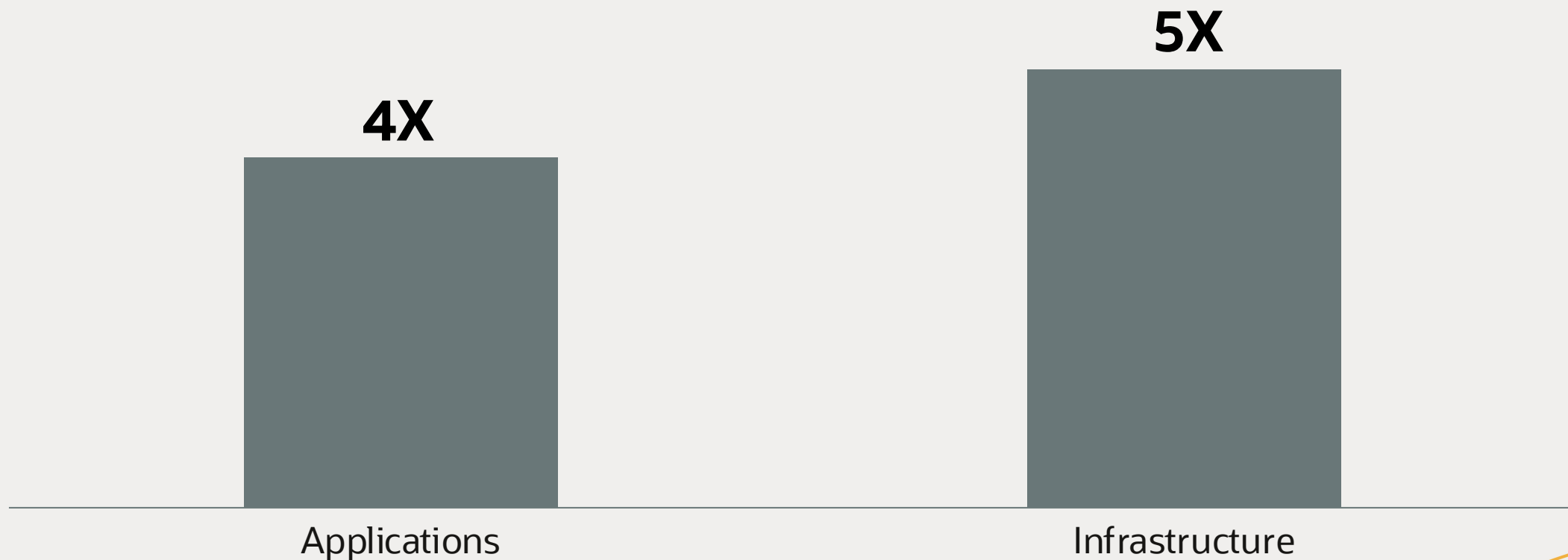
Infrastructure



Note: Represents % of contracted support base that has partially or fully moved to Oracle Cloud.

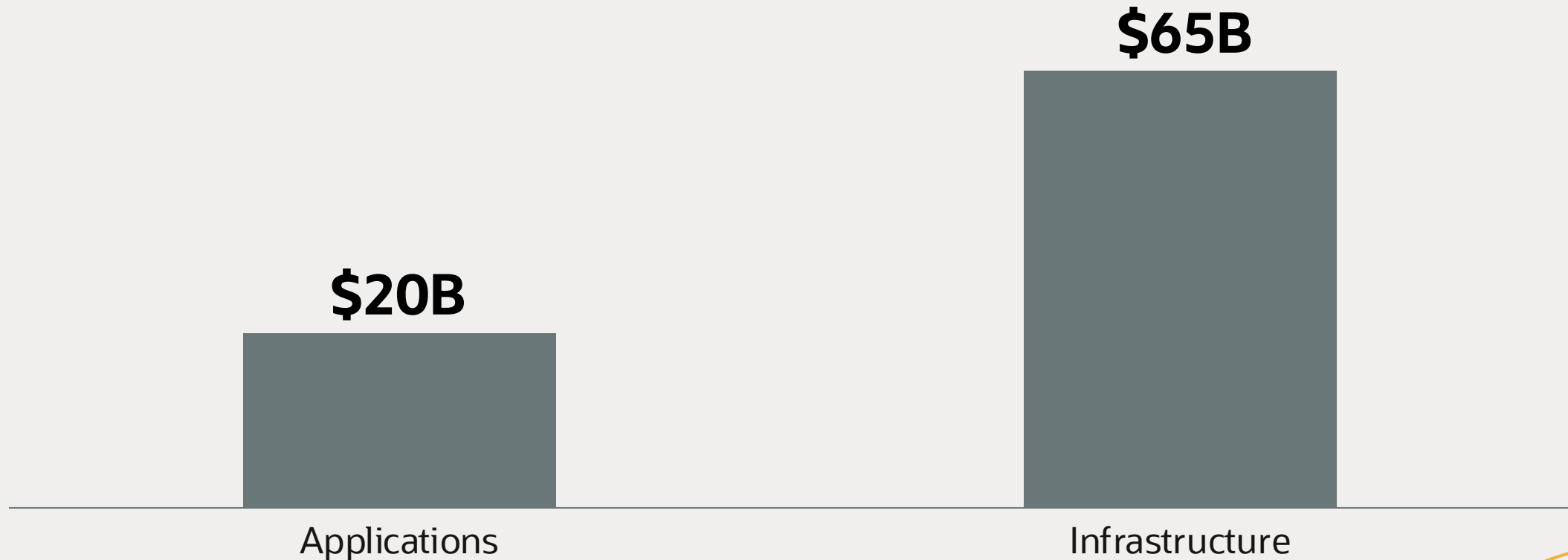
Both Application and Infrastructure Support Are Converting to Cloud at Attractive Multiples

FY24 ARR Bookings to On-Premise Support Ratio



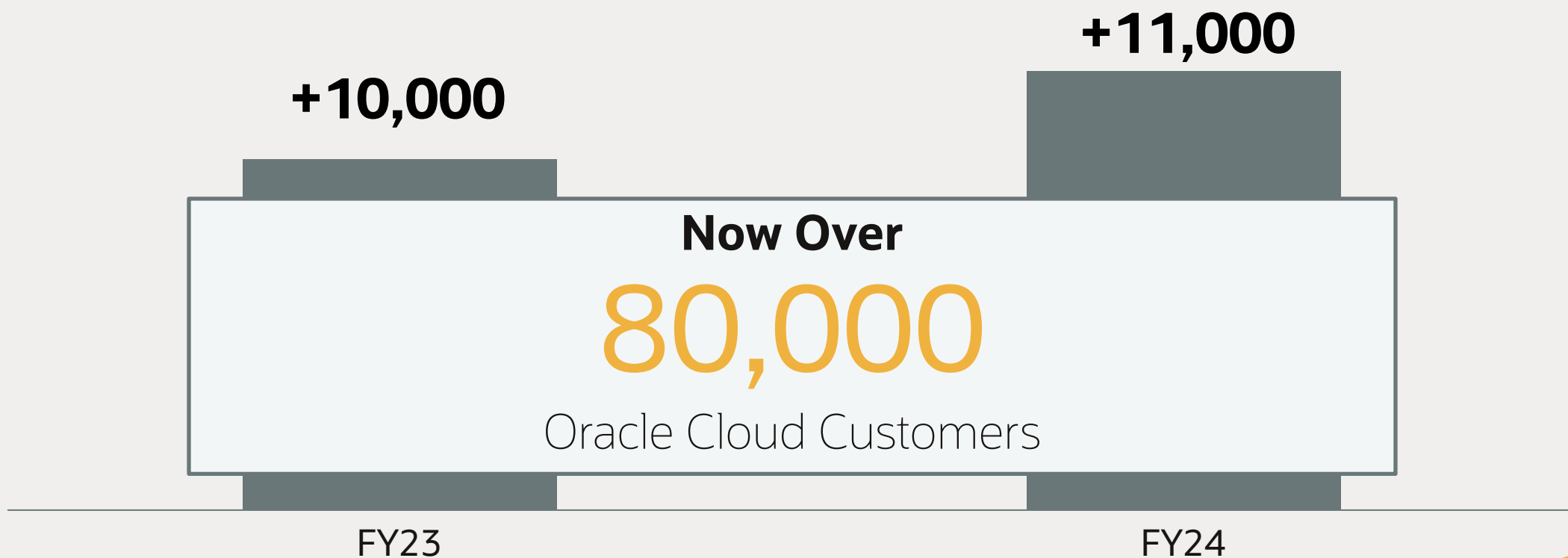
Providing a Significant Incremental Revenue Opportunity to Convert the Remaining On-Premise Support Base

Value of Incremental ARR if Support Converts ⁽¹⁾



(1) Remaining opportunity calculated using FY24 support contract base multiplied by 4X and 5X, respectively.

Oracle is Adding New Customers to Our Cloud at an Increasing Rate



Given Our Technology Advantages, We Have Been Attracting a Range of New Customer Types to Run in the Oracle Cloud

New SaaS Customers

COHERENT GRUPO BIMBO Unilever NIKKEI
 WING-STOP GORILLA docuSign RICOH
 Johnson Controls IN-N-OUT REPUBLIC SERVICES Cohu
 GENERALI shopify Levi's the Wonderful company AON

AI Workloads

character.ai Reka SUNO NVIDIA
 AKASA mosaicML LUMA AI BACKFLIP
 John Snow LABS // Laredo Labs Twelve Labs hotshot
 fireworks.ai inworld together.ai Reliant
 cohere Perceive upstage Modal

Alloy, Sovereign & Dedicated Cloud

FUJITSU team Cloud NRI avaloq
 BANGLADESH DATA CENTER COMPANY LIMITED
 OICT GROUP المجموعة العمانية للاتصالات وتقنية المعلومات
 vodafone
 stc GENERAL DYNAMICS Electric Boat nu-med grupa

ISV & Cloud Native Infrastructure

SoundHound 8x8 Palantir
 paloalto NETWORKS VERTEX bmc
 FAIRE zoom Informatica
 KÖRBER ALTAIR EA LIVE NATION
 Uber Avalara Qualys CROWDSTRIKE

Oracle Database Workloads Remain Highly Prevalent, Sticky, and Most Haven't Moved to the Cloud

94%

of Fortune 100 run on Oracle

102%

Net dollar retention rate (1)

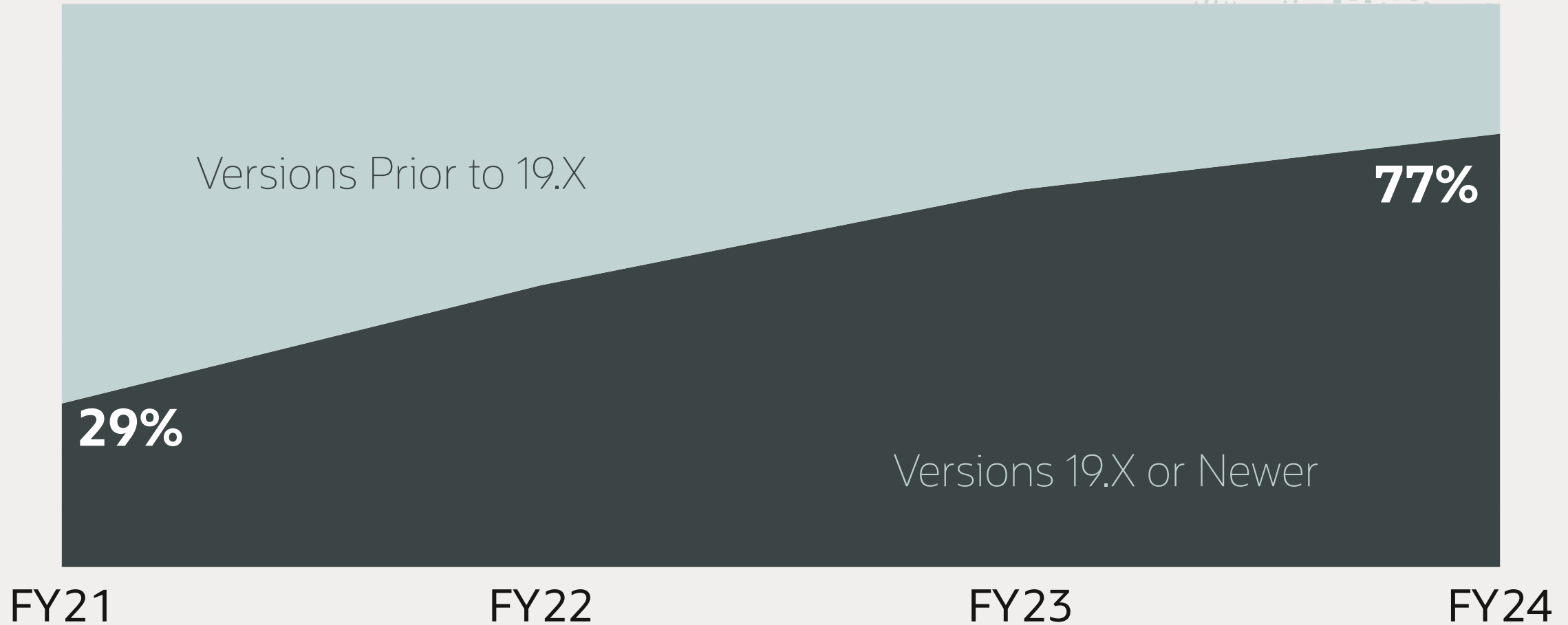


swisscom



(1) Calculated as FYE 2020 database support contract base plus new license support additions less support cancellations through FY24.

Customers are Increasing the Pace of Upgrading to the Latest Database Versions in Preparation for Moving Workloads to the Cloud



Note: Based on customer self reported database version. Mix based on customer count.

Providing Customers with Choice Is Also Critical to Help Accelerate the Move

98%

of enterprises use two or more clouds ⁽¹⁾



More choices on where to run



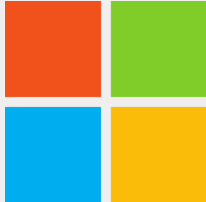
Access to best Oracle DB features



Simplified purchasing and management

(1) 451 Research proprietary study.

We Now Have MultiCloud Partnerships with All of the Major Hyperscalers, and Expect Workload Migrations to Accelerate



Announcement
Date

Sep
2023

June
2024

Sep
2024

First region live:
December 2023
Total regions:
7 live
24 planned

First region live:
September 2024
Total regions:
4 live at launch
14 planned

First region live:
December 2024

Note: These are expected dates and planned regions, which may change.

Over 450 Customers Already Leverage the OCI-Azure Relationship



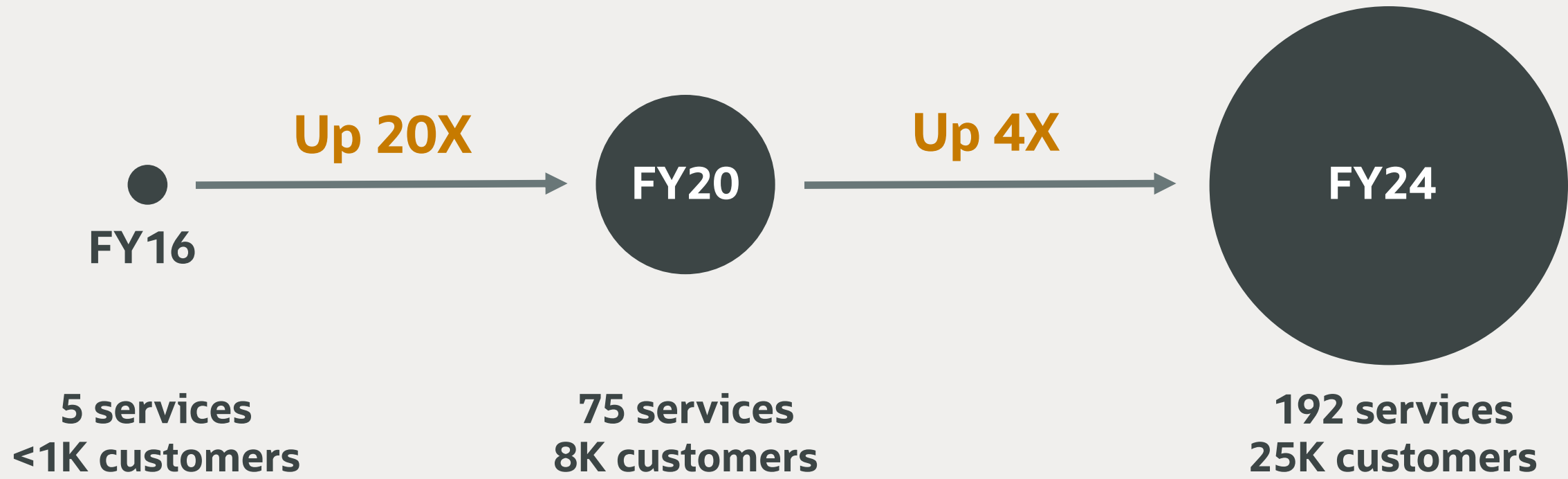


We Are Building Cloud Capacity to Convert Bookings into Revenues and Profits

Oracle's Cloud Capacity Has Grown Exponentially



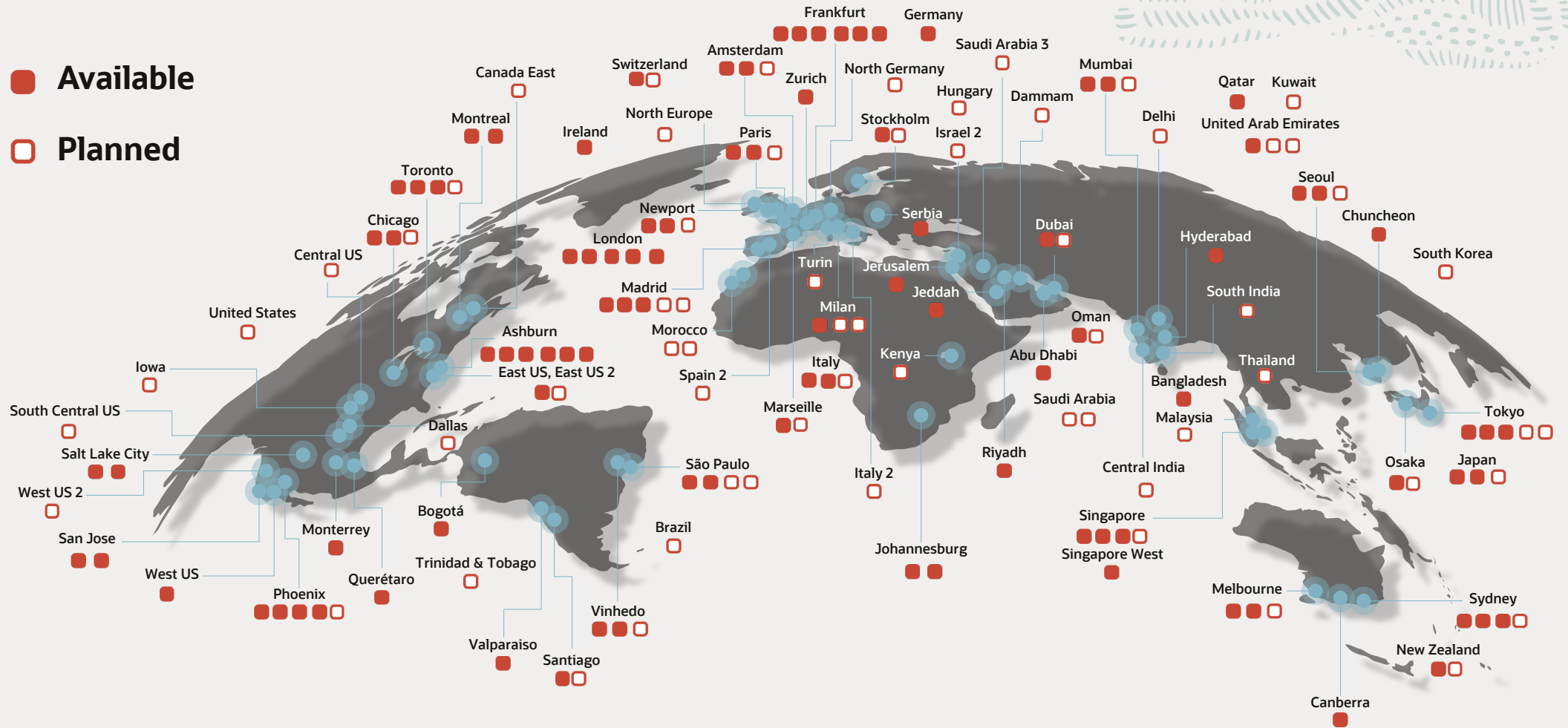
Megawatts Under Management (1)



(1) Size of circles represents approximate number of MWs under management.

Oracle Cloud Is In More Places than Any Other Hyperscaler

- Available
- Planned



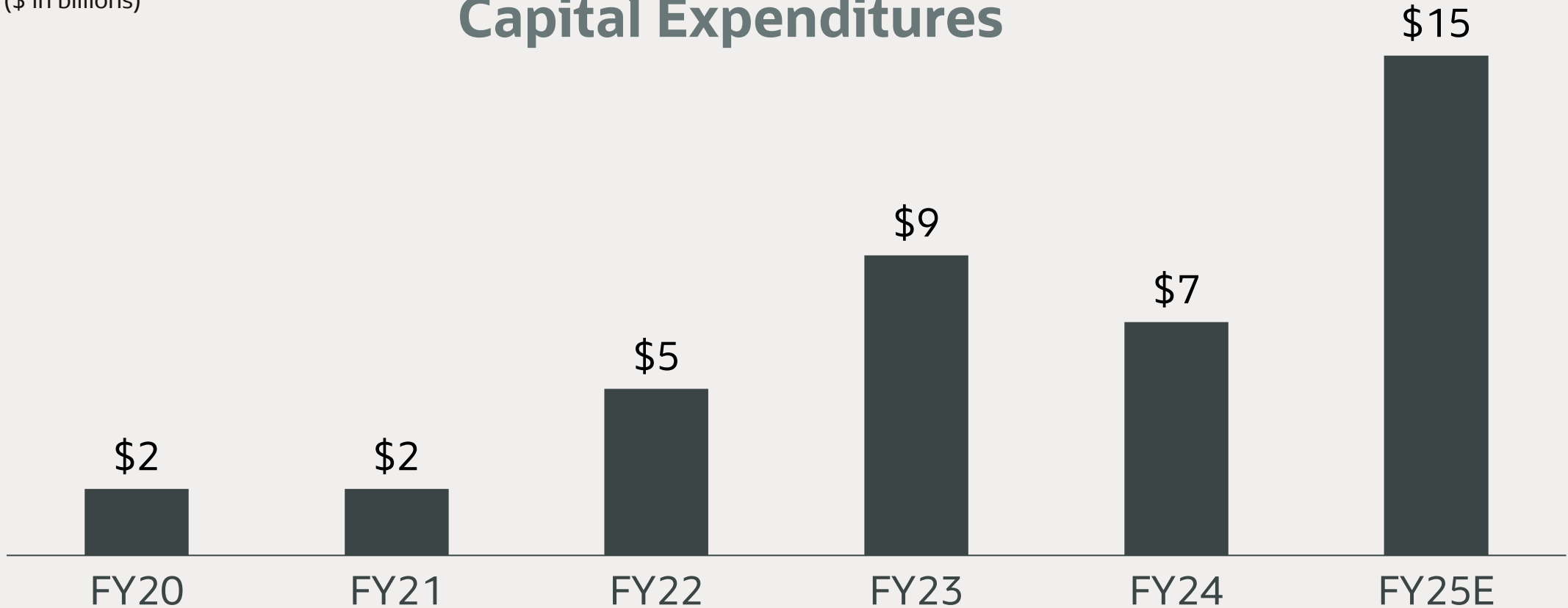
Note: Includes commercial, government, sovereign, dedicated, Alloy and MultiCloud.

Oracle Plans to Further Accelerate Capacity in FY25



(\$ in billions)

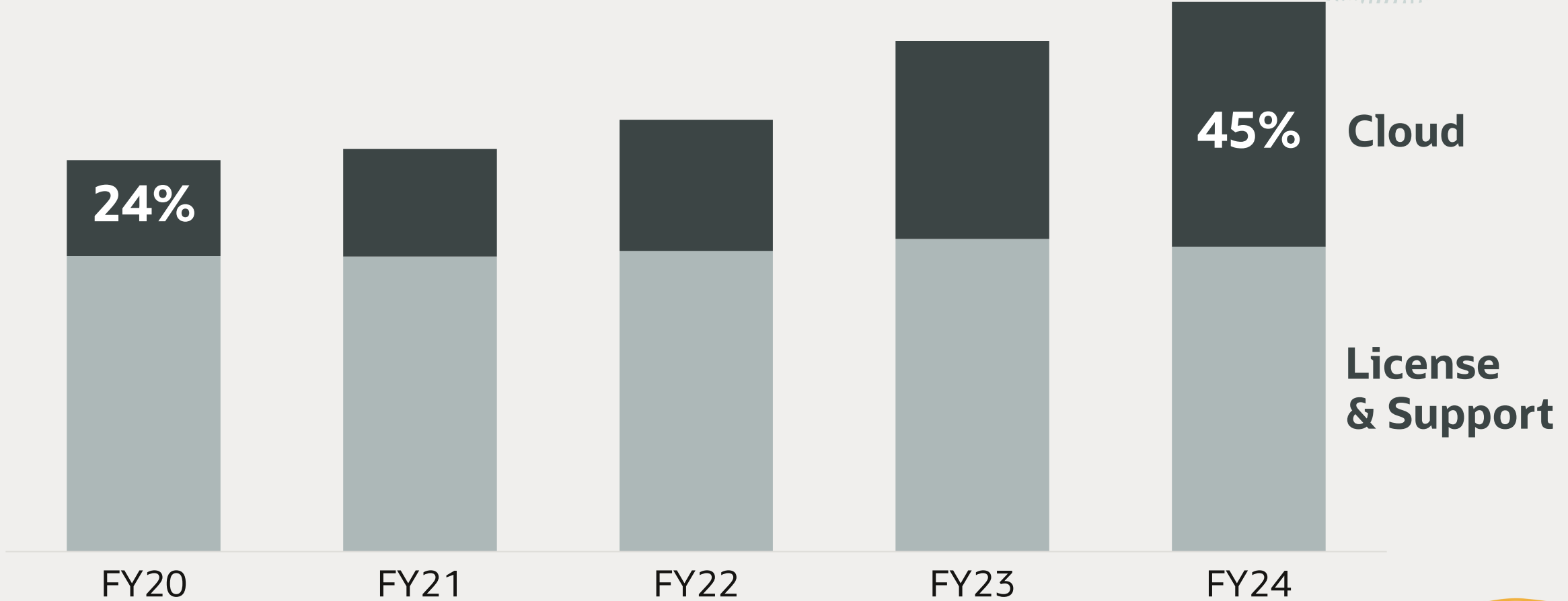
Capital Expenditures



Note: Oracle FY25 based on guidance.



Investments in CapEx Are Driving the Increasing Revenue Contribution of Cloud Relative to License & Support



Note: Percentages based on Non-GAAP constant currency amounts.



Oracle is Growing Cloud Gross Profits Significantly More Compared to Gross Profits that are Being Lost Due to License & Support Declines



Note: Gross profit contributions are pre-tax. Based on data for the last two fiscal years.

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Summary



Our Confidence in Accelerating Our Revenue Growth Has Strengthened

We've Built the Most Comprehensive and Flexible Set of Enterprise Technologies for the Cloud

End-to-end industry automation for applications

Scalable OCI footprint along with unique AI capabilities

Comprehensive MultiCloud offering for the Database

Our Product Advantages Are Driving Customer Wins and Momentum

Diverse technology offerings are creating waves of customer demand

Accelerating bookings have led to record RPO figures

Building Cloud Capacity to Convert Bookings Into Revenue and Profits

Bringing on data centers and racks more quickly to meet demand

Each dollar of capex being converted into strong financial results

With Accelerating Demand, Oracle Is Issuing the Following Updated Revenue & EPS Targets

FY2026

>\$66B

Total Revenue

>10%

Annual EPS Growth

FY2029

>\$104B

Total Revenue

>20%

Annual EPS Growth

Note: Does not include impact of any future acquisitions, if they were to occur.
Non-GAAP amounts shown in USD and growth rates shown constant currency.

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