

Flash Report for the 3rd Quarter of Fiscal Year Ending May 31,2004 (Non-consolidated)

March 23, 2004

Company Name Oracle Corporation Japan

(Ticker: 4716 TSE 1st Section)

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Contact & responsible personal

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1. Important notice for the flash report

Difference in accounting policies from previous fiscal year : Applicable

Tax expense is calculated by estimate tax effective rate

2. Business result for this term (from June 1, 2003 to February 29, 2004)

(1) Operating Results

	Revenue		Operating Income		Ordinary Income		Net Income	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
3 rd Quarter, May 2004	58,649	-2.1	18,139	-	18,178	-	10,659	-
(Reference) 3 rd Quarter, May 2003	59,895	-	-	-	-	-	-	-
(Reference) May 2003	86,249	-0.1	25,844	-16.7	25,848	-16.9	13,963	-20.8

(Note) Percentage indicates changes from the previous term.

The company discloses quarterly business result for the first time, the revenue of corresponding period of previous fiscal year and the variance are referential data.

[Qualitative information for the business results]

In the period under review, Japan's economy shows the moderate recovery, reflecting increases in capital investment and exports. It was supported by the recovery of overseas economies, while enterprises are still conservative in employment.

The company has carried out various measures under its mid-term business plan "Oracle Japan Innovation 2003" and has innovated its corporate culture. The company held "OracleWorld Tokyo" in last December and developed sales promotion as well as the introduction of its newest technology "Oracle 10g". As a result, the company achieved revenue at 58,649 million yen (down 1,245 million yen or 2.1%, from the corresponding period of previous fiscal year), ordinary income at 18,178 million yen, and net income at 10,659 million yen.

In March 2004, the company announced the new pricing strategy concerning "Oracle Database 10g", which is to be launched in early April 2004, aiming at competitiveness in medium sized system.

Regarding the revenue by the business segment, *Software Products* revenue was 26,679 million yen (down 69 million yen, 0.3% from the corresponding period of previous fiscal year), as *Database Technology* revenue up 8.2%, however, *Business Applications* revenue down 59.2% due to downsized orders. *Service* revenue was 31,969 million yen (down 1,176 million yen, 3.5 % from the corresponding period of previous fiscal year), as maintained high contract rates of *Customer Support Service* backed up by the sales increase of its core product *Database Technology*, while sales in *Consulting Service* down reflecting the company's corporate restructuring.

(2) Financial Position

	Total Assets	Shareholders' Equity	Ratio of shareholders' equity	Shareholders' equity per share
	Million Yen	Million Yen	%	Yen Sen
3 rd Quarter, May 2004	98,463	75,541	76.7	593.93
(Reference) May 2003	110,233	80,340	72.9	630.18

[Qualitative information for the financial conditions]

Total assets of the company at the end of the term stood at 98,463 million yen (down 11,769 million yen from the end of previous fiscal year), because the company paid year-end and mid-term dividends and income taxes, etc.

Net assets totaled 75,541 million yen, down 4,799 million yen from the end of previous fiscal year.

3. Forecast for the May 2004 term (from June 1, 2003 to May 31, 2004)

	Revenue	Ordinary Income	Net Income	Dividends per share			
				Term End			
	Million Yen	Million Yen	Million Yen	Yen	Sen	Yen	Sen
Entire Term	83,400	26,200	15,400	85.00		120.00	

(Reference) Estimated EPS for the term 121Yen 08 Sen

Caution: There's no change of the forecast announced on June 9, 2003. However, the forecast is based on the operation result of 3rd quarter and information available at a time of issuance of this report, and the actual result may change by various reasons.

4. Supplemental Information

Revenue breakdown by business segment

Business Segment	3 rd Quarter, May 2004			(Reference) 3 rd Quarter, May 2003		(Reference) May 2003	
	Amount	Composition	Variance	Amount	Composition	Amount	Composition
	Million Yen	%	%	Million Yen	%	Million Yen	%
Database Technology	25,305	43.1	8.2	23,381	39.0	34,652	40.2
Business Applications	1,373	2.3	-59.2	3,366	5.6	5,936	6.9
Software Products	26,679	45.5	-0.3	26,748	44.7	40,589	47.1
Customer Support	22,926	39.1	9.9	20,856	34.8	28,448	33.0
Education	2,161	3.7	-21.8	2,762	4.6	3,664	4.2
Consulting	6,880	11.7	-27.8	9,526	15.9	13,548	15.7
Service Business	31,969	54.5	-3.5	33,146	55.3	45,660	52.9
Total	58,649	100.0	-2.1	59,895	100.0	86,249	100.0

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