This flash report is unaudited and the translation of the Japanese language version.

Flash Report for the Fiscal Year Ended May 31, 2009 (Non-consolidated)

June 30, 2009

Company Name Oracle Corporation Japan
Listed Stock Exchange: TSE 1st Section
Ticker: 4716
URL http://www.oracle.co.jp/corp/index.html
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Telephone: 03-6834-6666
Representative personal Takao Endo, President and CEO
Contact & responsible personal Shigeru Nosaka, Senior Corporate Executive Officer & CFO
Schedule for general shareholders meeting: August 27, 2009
Schedule for dividends payment: August 28, 2009
Schedule for annual security report: August 28, 2009

(Amount of less than ¥1 million are rounded down)

1. Financial results for this term (from June 1, 2008 to May 31, 2009)

(1) Operating result

(% of change from previous year)

	Revenue		Operating Income		Ordinary Income		Net Income	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
May 2009	115,788	1.5	38,877	0.4	39,030	-0.3	22,740	-1.4
May 2008	114,112	13.2	38,731	5.3	39,130	5.2	23,057	4.2

	Net income per share		Net income per share (diluted)		R O E	ROA	Operating Income Margin
	Yen	Sen	Yen	Sen	%	%	%
May 2009	178	94	178	93	27.3	32.8	33.6
May 2008	181	47	181	39	28.1	33.2	33.9

(2) Financial Position

	Total Assets	Net assets	Ratio of shareholders' equity	Net assets per share	
	Million Yen	Million Yen	%	Yen	Sen
May 2009	118,699	84,079	70.5	658	13
May 2008	119,042	83,153	69.7	652	44

Shareholders' equity May 2009: 83,640Million Yen May 2008: 82,915million yen

(3) Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash Equivalents at the end of period
	Million Yen	Million Yen	Million Yen	Million Yen
May 2009	26,169	-18,680	-21,966	17,464
May 2008	22,815	14,202	-21,477	31,942

2. Dividends

	Dividend per share										Total amount of dividends	Dividends payout ratio	Dividend Ratio to shareholders' equity
	1st Quarter end		2nd Quarter end		3rd Quarter end		Fiscal Year end		Total				
	Yen	Sen	Yen	Sen	Yen	Sen	Yen	Sen	Yen	Sen	Million Yen		%
May 2008	-		70	00	-		103	00	173	00	21,983	95.3	26.8
May 2009	-		70	00			100	00	170	00	21,604	95.0	25.9
May 2010 (Forecast)			70	00	-		100	00	170	00		93.1	

3. Forecast for the May 2010 term (from June 1, 2009 to May 31, 2010)

(% of change from previous year)

	Revenue		Operating Income		Ordinary Income		Net Income		Net income per share	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen	Sen
Interim	56,700	-2.2	18,100	2.4	18,100	1.7	10,300	-0.6	81	05
Entire term	119,000	2.8	40,000	2.9	40,000	2.5	23,200	2.0	182	55

4. Other information

(1) Change of significant accounting for flash report

①Change caused by revision of accounting standard	: No
②others	: Yes

(Note) Please refer to the 22 page of attached document.

(2) The number of shares outstanding (common stock)

①The number of shares outstanding (inclusive of treasury stock)	May 2009	127,091,571 shares
	May 2008	127,087,571 shares
②The number of treasury stock	May 2009	3,592 shares
	May 2008	2,843 shares

(Note) Please refer to the 28 page of attached document for using the number of shares based on calculating net income per share.

Caution:

Amount is rounded down. Above forecast is based on the information available at a time of assurance of this report, and the actual result may change by various reasons. Please refer to the 3 page of attached document for using the forecast.

1. Business Outcomes

(1) Business Outcomes

①Conditions during the Period

During the fiscal year under review (from June 1, 2008 to May 31, 2009), the Japanese economy experienced a sharp slowdown, with a decline in capital spending and a deterioration in the employment situation prompted by lower corporate earnings. This contraction was itself triggered by global financial and economic instability, stemming from the financial crisis that emerged from the United States in the second half of the term.

In this environment, the Company supplied products and services that helped customers grow and address business problems, as a software vendor with the ability to offer databases as infrastructure. It also offered Fusion Middleware products that link different information systems, and business applications that have the necessary functions for corporate activities.

In September 2008, the Company completed the consolidation of previously dispersed business bases at its new headquarters, the Oracle Aoyama Center, focused on raising management efficiency, and took steps to reduce costs. In October 2008, the Company embarked on reforms in conjunction with company-wide organizational changes to set up cooperation with sales partners, develop markets in growing fields, establish a sales organization from a customers' viewpoint, and bolster product operations. As part of its reforms, the Company conducted fundamental reviews of its sales structure and reallocated human resources. Based on these initiatives, the Company identified and examined present issues and clarified an order of priority. Under each supervisor, the Company executed action plans, pursued initiatives and monitored progress.

Non-consolidated revenue grew by 1,675 million yen, or 1.5% from the previous fiscal year, to reach 115,788 million yen. The results of individual business segments are as follows:

[Software-Related Segment]

Revenue in the Software-Related Segment was 99,090 million yen, up 1,652 million yen or 1.7% year on year thanks to the solid growth of Update and Products Support. The Software-Related Segment consists of the following two divisions: (i) Software Products and (ii) Updates & Product Support.

(i) Software Products

Revenue in the Software Products division, which sells new software licenses, was 40,540 million, down 6,633 million yen, or 14.1% year on year. The positions of its two sub-divisions, Databases & Middleware and Business Applications, are as follows:

(A) Databases & Middleware

Revenue in the Databases & Middleware sub-division stood at 34,765 million yen (down 5,987 million yen or 14.7% year on year).

In this sub-division, in which new license sales for database management software and middleware form the core operations, revenue from middleware, especially acquired products, remained steady, with strong demand for business intelligence products that enable rapid insight into corporate and operational performance and the visualization of information, as well as needs for intersystem coordination through application servers. In contrast, despite strong interest shown by customers in products and solutions that effectively contribute to cost cutting and higher sales, and in solutions that produce an impact promptly after their introduction, revenue was influenced by the review or suspension of investment plans, reflecting the rapidly slowing economy.

(B) Business Applications

Revenue in the Business Applications sub-division was 5,775 million yen (down 646 million yen or 10.1% year on year).

In this sub-division, the Company developed a lineup of products that offer solutions for ERP, CRM, EPM, PLM, and industry vertical solutions, and built an organization capable of offering a range of solutions that support growth. Given strong customer interest in information technologies that help them streamline operations, reduce costs, and improve sales capabilities, orders for EPM, PLM, CRM, and other projects that also offered cost savings through the use of packaged software remained solid. Despite the above development, revenue was affected by the review or suspension of investment plans, reflecting the weakening economy

* BI: Business intelligence

A system that accumulates, collects, categorizes, searches, analyzes and processes a vast number of corporate data in an organized and systematic manner to aid in management decision making

* ERP: Enterprise resource planning
* CRM: Customer relationship management
* EPM: Enterprise performance management
* PLM Product lifecycle management

(ii) Updates & Product Support

Revenue in the Update & Product Support division amounted to 58,549 million yen (up 8,286 million yen or 16.5% year on year).

In this division, which offers update rights and technical support to customers, the Company offset the decline in new investments resulting from the severe economic environment by meeting customer demand for the continued use of existing business systems through appropriate and reliable services. As a result, the Company maintained high contract and renewal rates despite the challenging economic conditions. Revenue in the division remained strong, thanks also to the additional provision of update rights and technical support for products acquired.

[Service-Related Segment]

Revenue in the Service-Related Segment was 16,697 million yen (up 23 million yen or 0.1% year on year). The Service-Related Segment consists of the following three divisions: (i) Advanced Support, (ii) Education Services and (iii) Consulting Services.

(i) Advanced Support

Project numbers rose steadily for both Oracle On Demand, which maintains and operates customer information systems, and Advanced Customer Services, which provides advanced and preventive support tailored to the environment of each customer. This reflects the high marks the Company received from customers for enabling them to maintain stable operation of their systems, reduce operational loads, and enjoy high cost efficiency. As a result, revenue in the division rose to 2,915 million yen (up 813 million yen or 38.7% year on year).

(ii) Education Services

Sales relating to Oracle Master and the number of engineers that acquired qualifications were solid, thanks to strong interest among engineers seeking to hone their skills and advance their careers in the harsh economic environment. Meanwhile, given cost cutting initiatives adopted by customers and worsening economic conditions, the number of people attending regular training courses declined. In response, the Company continued to provide new training programs for acquired products, and focused on meeting strong customer demand for training engineers by commencing Oracle Live Virtual Class that provided training via the internet. As a result, revenue in the division stood at 2,534 million yen (down 16 million yen or 0.6% year on year).

(iii) Consulting Services

Revenue in the Consulting Services division fell, attributable to the end of the main operations for supporting the introduction of large-scale business application projects, lower sales of software products, and the downscaling of IT spending by customers in the deteriorating economic environment. Revenue in the division amounted to 11,247 million yen (down 774 million yen or 6.4% year on year).

Revenue breakdown by business segments

Item	FY2008		FY2009		
	Amount Million Yen	Composition %	Amount %	Composition Million Yen	Variance %
Database & Middleware	40,753	35.7	34,765	30.0	-14.7
Business Applications	6,421	5.6	5,775	5.0	-10.1
Software Product	47,174	41.3	40,540	35.0	-14.1
Updates & Product Support	50,263	44.0	58,549	50.6	16.5
Software related sub total	97,438	85.4	99,090	85.6	1.7
Advanced Support	2,101	1.8	2,915	2.5	38.7
Education services	2,551	2.2	2,534	2.2	-0.6
Consulting services	12,021	10.5	11,247	9.7	-6.4
Service sub total	16,674	14.6	16,697	14.4	0.1
Total	114,112	100.0	115,788	100.0	1.5

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

②Forecast for the Next Fiscal Year(Ending May 31,2010)

Despite apparent indicators that show signs of improvement in the economy, given the continuing uncertainty over the economic outlook, many companies are likely to continue scaling back new investment, trimming budgets for IT spending during the next fiscal year. On the other hand, because of this severe environment, customer interest in comprehensive reviews of their information systems and in solutions that promptly produce a return on investment, for example in the form of cost savings, has been growing.

Aiming to become a vendor that has the trust of customers and that customers consult first on establishing new systems, the Company seeks to work with its partner companies to provide customers with value by actively proposing products and services that support corporate reform and growth.

The Company will strengthen its mechanisms for communicating directly to customers its value as a company that can provide products that support their corporate activities and management reforms, and that can integrate those products with related services. We will also strengthen alliances with business partners that supply and help introduce hardware and integration services. Moreover, we will continue to propose to existing customers who are using our products ways to benefit from options and version upgrades that enable customers to maximize and benefit from the strength of our products. The Company has expanded its lineup of acquired products that can be offered to customers of any scale, in any industry. By integrating these products, we have improved the quality of solutions that are offered to customers in the most effective manner. The Company will continue during the next fiscal year to bolster its sales system for Fusion Middleware, which builds SOA* platforms that incorporate and integrate different information systems with industry standard technologies, and for business applications that help customers achieve business transformations.

* Service Oriented Architecture

Based on the above, the Company has derived the following estimates for our business outcomes in the May 2010 term: revenue of 119 billion yen (up 3,211 million yen, or 2.8% from the previous term); operating income of 40 billion yen (up 1,122 million yen, or 2.9% from the previous term), ordinary income of 40 billion yen (up 969 million yen, or 2.5%); net income for the term of 23.2 billion yen (up 459 million yen, or 2.0%), and net income for the term per share of 182.55 yen.

Cautious Statements for the forecast

Statements in this document with respect to Oracle Corporation Japan (OCJ)'s current plans, estimates, strategies and beliefs and other statements that are not historical facts are forward-looking statements about the future performance of OCJ. These statements are based on OCJ's assumptions and beliefs in light of the information currently available to it. OCJ cautions you that a number of important risks and uncertainties could cause actual results to differ materially from those forward-looking statements.

(2) Financial situation

①The situations of the total assets, liabilities and net assets

The total assets of the Company at the end of the term stood at 118,699 million yen (down 343 million yen from the end of the previous term).

Net assets totaled 84,079 million yen, up 925 million yen from the end of the previous term.

②The cash flow situations for the term are as follows:

(i) Cash flows from operating activates

Cash generated from operating activities was 26,169 million yen (up 3,353 million yen year on year). The inflow is primarily attributable to the posting of pre-tax income of 38,615 million yen, a decrease in sales credits of 1,418 million yen, an increase in accrued revenue of 732 million yen, and the payment of 16,057 million yen in income taxes.

(ii) Cash flows from investment activities

Cash used for investment activities was 18,680 million yen (a 14,202 million yen inflow for the previous year). The outflow primarily includes a short-term loan (25,515 million yen) to Oracle USA, Inc., a subsidiary of Oracle Corporation (parent company of the Company), and a payment (28,132 million yen) for the acquisition of tangible fixed assets mainly for the new head office.

(iii) Cash flows from financial activities

Cash used for financial activities was 21,966 million yen (rising 489 million yen over the previous fiscal term).

The outflow was primarily appropriated to the payment of dividends.

As a result, cash and cash equivalents at the end of this fiscal term decreased by 14,478 million yen, to 17,464 million yen.

In total, cash and equivalents decreased 14,478 million yen from the end of the previous term, to 17,464 million yen.

The trends with cash flow indices for the Company are as follows:

	May 2007	May 2008	May 2009
Capital ratio	69.7%	69.7%	70.5%
Capital ratio based on market prices	589.4%	486.8%	364.0%

(Notes) Capital ratio: Capital / Total assets
Capital ratio based on market prices: Market capitalization of the company / Total assets
We calculate Market capitalization of the company based on number of outstanding shares (excluding own shares).

(3) Basic policies on income distribution

The Company recognizes that one of its most important business missions is to continuously offer our shareholders dividends at a high level, by enhancing corporate value.

In the current term and the future for a period, the Company will distribute the profits from its periodic income to shareholders as the distribution of surplus while considering its earnings conditions, capital needs based on a business plan, and for securing other retention of earnings for the management of the company. The Company distributes money as the way of distribution of surplus.

The Company examines appropriate correspondence for the acquisition of treasury stocks, reduction of reserves, and other disposal of surplus with consideration for its financing conditions appropriately.

The dividend per share at the term end is expected to 100 yen. Combined with the interim dividend (70 yen), the annual dividend per share is expected to 170 yen.

The estimated annual dividend is expected to 170 yen based on our policy on profit sharing, assuming that the above operating results are achieved in the May 2010 term. The annual dividend consists 70 yen for the interim dividend and 100 yen for the year end dividend.

(4) Business risks

The following are the main business risks the Company is aware of. The risks described herein about the future are based on our judgment as of the date of this publication.

①Relationships with Oracle Corporation

The Company's parent company is essentially Oracle Corporation of the United States and the Company is part of the group that is headed by Oracle Corporation. Therefore, our future business activities may be affected by Oracle Corporation's management strategies.

(i) Dependence on Oracle Corporation's products and technologies

We supply the Japanese market with the products developed by Oracle Corporation, which makes us dependent on its products and technologies. Thus, any delay on the part of Oracle Corporation in launching new products or updated versions, or any material fault or defect found on its products, or any revision of policies on the products and services will likely affect our business results and financial conditions.

(ii) Possibility of change in the rate and scope applicable to royalty

We have a distributorship agreement with Oracle International Corporation (a 100% subsidiary of Oracle Corporation), which is charged with the ownership and management of Oracle Corporation's intellectual property and we conclude a cross licensing agreements with Oracle Information Systems (a 100% subsidiary of Oracle Corporation). Under the agreements of products for supply to the Japanese market, we receive the products in consideration of which we pay to Oracle International Corporation, Oracle Information Systems about some of the products, a royalty equivalent to a certain percentage of our sales of the products. The percentage and the scope applicable to the royalty are determined between Oracle Corporation and all of its group companies that distribute Oracle products, including us, on the identical reasonable basis. If the percentage or applicable scope changes because of any change made to the contents of products or services supplied by Oracle Corporation, or of the transfer pricing taxation system, our business results and financial conditions may be affected.

(iii) Relationships with Shared Service Center

For greater management efficiency we make use of the Shared Service Center that operates on integrated and standardized management of office work across the Oracle group worldwide. We have transferred to the Center operations relating to accounting. If the Center receives transactions in excess of its processing capacity or fails to provide appropriate service because of any unexpected event, it may affect our business performance and financial conditions.

(ⅳ) System failure due to natural disasters

The Company is promoting GSI (Global Single Instance) through the optimization of systems and the unification of operations across the Oracle group led principally by Oracle Corporation, and in keeping with such efforts we share with other member companies of the Oracle group various in-house systems such as the computer server for document storage, e-mail, purchase and procurement. If such shared systems fail due to an earthquake or any other natural disaster within or without Japan, it may cause our business activities to be troubled, and consequently adversely affecting our business results and future business activities. In anticipation of such events, we have built our own measures to cope with natural disasters, create restoration plan and implement data backup; and we regularly review the systems and are building "Business Continuity Management Program" for common use by all the member companies of the Oracle group worldwide including us.

②Dependence on certain limited sales items

Our sales are characterized by a high percentage of Database & Middleware product groups, most notably the relational database management system. The contribution of this product group to the overall sales of the current period reaches 30.0%, meaning that the product group's sales trends are likely to affect our business performance and financial conditions.

③Dependence on indirect sales

Our products are sold in collaboration with our partner companies, who are principally hardware manufacturers, system integrators, and independent software developers. Our customers, some big and some small, cover diverse, wide-ranging industries, sectors such as manufacturing, distribution, finances, communications, and service as well as governments and other public bodies, and educational institutions. To attentively and meticulously address the needs of such wide-ranging customers, we are making efforts to expand indirect sales through partner companies. As a result, indirect sales in software products account for approximately 90 percent for the current period. It means then that maintaining stable relationships with partner companies will be significantly important to our future. For example, deterioration of such relationships, any strategic partnership entered into by any of our competitors with any of our partner companies, or aggravated financial conditions of our partner companies will likely affect our business performance and financial conditions.

④Project management

We provide customers introducing our software products with assistance relating to implementation programs, system design programs, or system operation. We are working for upgrading project management in terms of quality, development period and profitability. Under such circumstances, if the progress of any project deviates from the initial plan due to the customer's requirements for specification changes, or the occurrence of more operations than originally contemplated, it may give rise to additional costs or a penalty for a delayed delivery, and affect our business performance and financial conditions.

⑤Oracle On Demand business

Oracle On Demand, which we are aggressively promoting, provides a service in which we monitor and manage our products that are used by customers in their systems on the customers' behalf. Therefore, negligence of our employees or the personnel who is under the control of us could lead to a shutdown of customer's system and result in a delay or opportunity loss to the customer business itself. In these cases, it may affect our business performance and financial conditions by compensation for loss.

⑥Possibility of more intense competition

The information service industry where we perform our business activities is characterized by so intense competition and so rapidly progressing technological innovation that our business performance and financial conditions may be affected by the trends of the industry and competitors. For instance, stronger downward price pressure as the result of fiercer price competition spurred by new market entrants, more advantageous and competitive products launched by competitors, or strategic partnerships entered into between competitors will likely affect our competitiveness and market share.

⑦Securities holding risks

Pursuant to internal investment management policies, the Company may purchase and hold yen-denominated bonds. For management of investment securities, we have an advisory agreement with Delphi Asset Management Corporation, an Oracle Corporation's subsidiary, to ensure high safety and proper liquidity. However, occurrence of any default as the result of aggravated financial conditions of any bond-issuing company or foreign government may cause us to suffer losses.

⑧Stock option plan

We have in place stock option plans aimed at bolstering the willingness or motivation of our directors and employees toward better business results. As of May 31, 2009, the total number of our shares covered by equity warrants reaches 2,111,250 equivalent to 1.7% of our total outstanding share. If all these stock options are exercised, they may dilute the value per share.

⑨M&A possibility in the future

As part of our own business strategy or of the parent company's global business strategy, we may merge or acquire any other company or business in the future. If such merger or acquisition takes place, we may have difficulty in effectively and efficiently consolidating the acquired company or business with our own business, in maintaining the existing relationships with the acquired company's important customers, suppliers or other related parties, or in maintaining the value of the acquired assets, which situation may lead to impairment losses.

If any such event occurs, it may affect our business performance and financial conditions.

⑩Information control

We hold large volumes of personal and confidential information relating to the execution of our business activities. We have established internal rules and educated all our employees about the sensitivity of such information, but there remains a risk that the information could be leaked in unexpected circumstances, in which case our credibility with the public could be damaged, and our operating results and financial situation could be affected by the obligation to pay unexpected expenses or compensation for losses.

⑪Legal controls

We are subject to various applicable laws and regulations in connection with our business activities. To comply with such laws and regulations we have established an appropriate internal system and provided necessary education to all employees. However, should any suit be filed or legal proceedings instituted against us, we may incur substantial expenses to defend ourselves against the suit or to pay for damages, in which case our business performance and financial conditions will likely be adversely affected.

(5) Substantial doubts regarding the ability to remain as a going concern

There are no significant doubts regarding the ability of the Company to continue as a going concern.

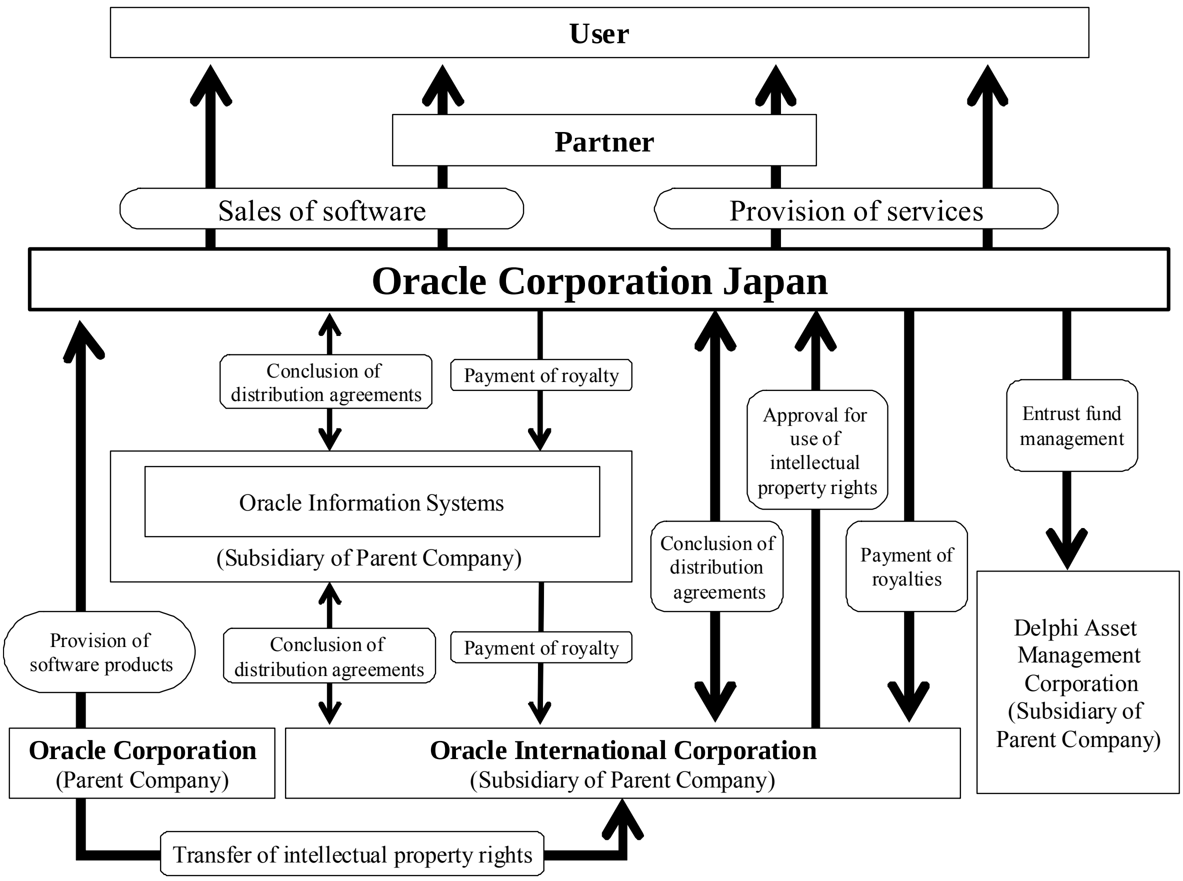
2. Current Status of the Company Group

The Company's parent company is essentially Oracle Corporation of the United States and the Company is part of the group that is headed by Oracle Corporation. In various parts of the world the group sells software products including relational database management systems, middleware and business applications designed to help our customers manage and grow their business operations, and provides services to support use of these software products.

Moreover, Oracle International Corporation is a subsidiary company of Oracle Corporation. Oracle Corporation transfers intellectual property rights pertaining to the software and other products it owns to Oracle International Corporation and Oracle International Corporation holds and manages these intellectual property rights, concludes distribution agreements with Oracle Corporation's subsidiaries including the Company and authorizes license use. Meanwhile, Delphi Asset Management Corporation is also a subsidiary of Oracle Corporation, and is in charge of the operation and management of funds owned by Oracle Corporation and its subsidiaries. The Company concluded investment advisory agreement with Delphi Asset Management Corporation, and has been investing its surplus fund to the securities that satisfy the Company's investment policy while maintaining safety and adequate liquidity. Oracle Information Systems has software license of acquired products by Oracle Corporation. The Company concluded a cross licensing agreement with Oracle Information Systems, and have been selling acquired products and providing services to support users.

Research and development of software products is primarily carried out under the leadership of Oracle Corporation. However, the Company participates in new development initiatives from the onset and has played an important role in developing products suited to the Japanese market in close cooperation with Oracle Corporation. We have also taken a leading role in developing some of the products, such as human resource modules with specifications suited to Japan. The Company makes use of its knowledge and expertise with respect to Japanese market features and has been selling software products thus developed in Japan and providing services to support users.

(Business relation diagram)



3. Business Policies

(1) Our basic business policies

The Company practices a basic philosophy of creating new IT value and contributing to customer success and the development of society. The role of IT has been evolving from tools for operational efficiency and cost cutting, to business infrastructure that transforms corporate processes and business models. The way in which IT is used likewise continues to advance. The Company believes that its purpose is to help customers become more competitive and improve performance, and to offer society with greater convenience by creating roles and values of IT.

Moreover, we have promoted corporate activities designed to make the Company an “IT corporation that is the most highly trusted by our customers,” under the following three basic business policies:

① The Company will offer products and services that can enhance the productivity of our customers and help develop the Japanese economy.

② The Company will strive for the overall development of the IT industry in Japan, together with our partners.

③ The Company will train IT engineers able to assume leading roles globally, through “Oracle Master” and other systems.

We understand that these efforts will enable the Company to continuously enhance its corporate value and to offer benefits to our shareholders and other stakeholders.

(2)Targeted business indices

The Company aims for continuously improvement of corporate value by growth of revenue and operating income, and by management that attached great importance to operating income margin. For middle to long term, we make it our policy to increase revenue with maintaining a high operating income margin.

(3) Business strategies for the medium and long terms

By promptly and actively introducing the results of Oracle Corporation’s aggressive product development and M&A strategies to the Japanese market, the Company aims to consistently pioneer innovative technologies, products, and services and develop businesses that will help its customers grow and enjoy cost savings. Ultimately, as the core of its management strategies, the Company’s goal is to develop business initiatives that enable it to consistently achieve high returns. It also seeks to develop a key account system for strategic customers, accelerate specialization by creating a structure of teams by products and solutions, establish a sales process to bolster its executive abilities, and develop a knowledge base to strengthen its expertise.

(4) Issues to address

The Company aims to address the following key issues:

① Strengthening ties with partner companies

Since we adopt an indirect sales approach through partner companies, sustaining cooperation and good relationships with these companies is essential. To maintain this business model, we will continue to emphasize stable relationships of trust with partner companies, bolster collaborative systems, and develop new businesses.

② Recruiting and training excellent human resources

To achieve our strategies, we recognize that recruiting and training outstanding human talent with the necessary skill sets is a business imperative. To sustain its growth, the Company will consistently strengthen its hiring system to recruit the best candidates, and will seek to bolster the strength of its workforce by improving training systems.

4. Financial Statements

(1) Balance Sheet

(Unit : Million yen)

	Previous term end (as of May 31, 2008)	Current term end (as of May 31, 2009)
Assets		
Current assets		
Cash and deposits	27,445	17,464
Notes receivable-trade	527	6
Accounts receivable-trade	16,199	15,302
Short-term investment securities	49,456	—
Merchandise	4	2
Prepaid expenses	296	150
Deferred tax assets	2,091	1,600
Short-term loans receivable	—	37,015
Accounts receivable-other	1,267	534
Other	50	72
Allowance for doubtful accounts	-2	-5
Total current assets	97,336	72,143
Noncurrent assets		
Property, plant and equipment		
Buildings	1,141	17,380
Accumulated depreciation	-748	-892
Buildings, net	392	16,488
Tools, furniture and fixtures	4,581	3,816
Accumulated depreciation	-3,792	-2,031
Tools, furniture and fixtures, net	789	1,785
Land	—	26,057
Construction in progress	16,769	—
Total property, plant and equipment	17,951	44,331
Intangible assets		
Software	7	65
Other	0	0
Total intangible assets	7	65
Investments and other assets		
Investment securities	399	314
Stocks of subsidiaries and affiliates	29	—
Deferred tax assets	323	245
Guarantee deposits	2,954	1,564
Bankruptcy and reorganization claim	5	2
Other	49	43
Allowance for doubtful accounts	-15	-12
Total investments and other assetsi	3,747	2,157
Total noncurrent assets	21,706	46,555
Total assets	119,042	118,699

(Unit : Million yen)

	Previous term end (as of May 31, 2008)	Current term end (as of May 31, 2009)
Liabilities		
Current liabilities		
Accounts payable-trade	4,720	4,631
Accounts payable-other	2,942	3,998
Income taxes payable	8,295	7,514
Accrued consumption taxes	961	—
Advances received	16,051	17,305
Deposits received	451	207
Provision for bonuses	1,528	775
Provision for directors' bonuses	30	—
Provision for moving of head office	535	—
Other	372	95
Total current liabilities	35,888	34,528
Noncurrent liabilities		
Other	—	91
Total noncurrent liabilities	—	91
Total liabilities	35,888	34,619
Net assets		
Shareholders' equity		
Capital stock	22,282	22,290
Capital surplus		
Legal capital surplus	33,720	33,728
Total capital surplus	33,720	33,728
Retained earnings		
Legal retained earnings	1,000	1,000
Other retained earnings		
Retained earnings brought forward	25,892	26,647
Total retained earnings	26,892	27,647
Treasury stock	-14	-17
Total shareholders' equity	82,880	83,648
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	34	-7
Total valuation and translation adjustments	34	-7
Subscription rights to shares	238	438
Total net assets	83,153	84,079
Total liabilities and net assets	119,042	118,699

(2) Statement of Income

(Unit : Million yen)

	Previous Term (From June 1, 2007 to May 31, 2008)	Current Term (From June 1, 2008 to May 31, 2009)
Net sales	114,112	115,788
Cost of sales	49,195	50,823
Gross profit	64,917	64,964
Selling, general and administrative expenses	26,185	26,087
Operating income	38,731	38,877
Non-operating income		
Interest income	25	70
Interest on securities	364	118
Dividends income of insurance	19	12
Other	44	75
Total non-operating income	454	277
Non-operating expenses		
Interest expenses	0	—
Foreign exchange losses	45	83
Other	8	39
Total non-operating expenses	55	123
Ordinary income	39,130	39,030
Extraordinary income		
Reversal of Advances Received	—	294
Reversal of provision for moving of head office	—	194
Reversal of provision for directors' bonuses	—	18
Gain on sales of subsidiaries and affiliates' stocks	—	1
Total extraordinary income	—	508
Extraordinary loss		
Business structure improvement expenses ※	66	480
Loss on retirement of noncurrent assets	—	420
Loss on valuation of investment securities	—	21
Loss on sales of investment securities	—	1
Total extraordinary loss	66	923
Income before income taxes	39,063	38,615
Income taxes-current	15,827	15,276
Income taxes-deferred	178	598
Income taxes	16,005	15,874
Net income	23,057	22,740

(3) Statement of changes in shareholders' equity

(Unit : Million yen)

	Previous term end (as of May 31, 2008)	Current term end (as of May 31, 2009)
Shareholders' equity		
Capital stock		
Balances as of May 31, 2008	22,214	22,282
Changes of items during the period		
Issuance of new shares-exercise of subscription rights to shares	68	7
Total changes of items during the period	68	7
Balances as of May 31, 2009	22,282	22,290
Capital surplus		
Legal capital surplus		
Balances as of May 31, 2008	33,652	33,720
Changes of items during the period		
Issuance of new shares-exercise of subscription rights to shares	68	7
Total changes of items during the period	68	7
Balances as of May 31, 2009	33,720	33,728
Other capital surplus		
Balances as of May 31, 2008	0	—
Changes of items during the period		
Disposal of treasury stock	-0	—
Total changes of items during the period	-0	—
Balances as of May 31, 2009	—	—
Total capital surplus		
Balances as of May 31, 2008	33,652	33,720
Changes of items during the period		
Issuance of new shares-exercise of subscription rights to shares	68	7
Disposal of treasury stock	-0	—
Total changes of items during the period	68	7
Balances as of May 31, 2009	33,720	33,728

(Unit : Million yen)

	Previous term end (as of May 31, 2008)	Current term end (as of May 31, 2009)
Retained earnings		
Legal retained earnings		
Balances as of May 31, 2008	3,212	1,000
Changes of items during the period		
Reversal of legal retained earnings	-2,212	—
Total changes of items during the period	-2,212	—
Balances as of May 31, 2009	1,000	1,000
Other retained earnings		
Reserve for special depreciation		
Balances as of May 31, 2008	8	—
Changes of items during the period		
Reversal of reserve for special depreciation	-8	—
Total changes of items during the period	-8	—
Balances as of May 31, 2009	—	—
Retained earnings brought forward		
Balances as of May 31, 2008	22,213	25,892
Changes of items during the period		
Dividends from surplus	-21,599	-21,985
Reversal of reserve for special depreciation	8	—
Reversal of legal retained earnings	2,212	—
Net income	23,057	22,740
Disposal of treasury stock	-0	-0
Total changes of items during the period	3,679	754
Balances as of May 31, 2009	25,892	26,647
Total retained earnings		
Balances as of May 31, 2008	25,434	26,892
Changes of items during the period		
Dividends from surplus	-21,599	-21,985
Reversal of reserve for special depreciation	—	—
Reversal of legal retained earnings	—	—
Net income	23,057	22,740
Disposal of treasury stock	-0	-0
Total changes of items during the period	1,458	754
Balances as of May 31, 2009	26,892	27,647

(Unit : Million yen)

	Previous term end (as of May 31, 2008)	Current term end (as of May 31, 2009)
Treasury stock		
Balances as of May 31, 2008	-9	-14
Changes of items during the period		
Purchase of treasury stock	-6	-5
Disposal of treasury stock	1	2
Total changes of items during the period	-5	-2
Balances as of May 31, 2009	-14	-17
Total shareholders' equity		
Balances as of May 31, 2008	81,291	82,880
Changes of items during the period		
Issuance of new shares-exercise of subscription rights to shares	136	15
Dividends from surplus	-21,599	-21,985
Net income	23,057	22,740
Purchase of treasury stock	-6	-5
Disposal of treasury stock	1	1
Total changes of items during the period	1,589	767
Balances as of May 31, 2009	82,880	83,648
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balances as of May 31, 2008	106	34
Changes of items during the period		
Net changes of items other than shareholders' equity	-72	-41
Total changes of items during the period	-72	-41
Balances as of May 31, 2009	34	-7
Total valuation and translation adjustments		
Balances as of May 31, 2008	106	34
Changes of items during the period		
Net changes of items other than shareholders' equity	-72	-41
Total changes of items during the period	-72	-41
Balances as of May 31, 2009	34	-7
Subscription rights to shares		
Balances as of May 31, 2008	65	238
Changes of items during the period		
Net changes of items other than shareholders' equity	172	200
Total changes of items during the period	172	200
Balances as of May 31, 2009	238	438
Net assets		
Balances as of May 31, 2008	81,463	83,153
Changes of items during the period		
Issuance of new shares-exercise of subscription rights to shares	136	15
Dividends from surplus	-21,599	-21,985
Net income	23,057	22,740
Purchase of treasury stock	-6	-5
Disposal of treasury stock	1	1
Net changes of items other than shareholders' equity	100	158
Total changes of items during the period	1,690	925
Balances as of May 31, 2009	83,153	84,079

Statement of Cash Flows

(Unit : Million yen)

	Previous term end (as of May 31, 2008)	Current term end (as of May 31, 2009)
Net cash provided by (used in) operating activities		
Income before income taxes	39,063	38,615
Depreciation and amortization	505	1,324
Share-based compensation expenses	172	200
Increase (decrease) in allowance for doubtful accounts	6	0
Increase (decrease) in provision for bonuses	-10	-752
Increase (decrease) in provision for directors' bonuses	-42	-30
Increase (decrease) in provision for moving of head office	—	-341
Interest and dividends income	-399	-201
Interest expenses	0	—
Loss (gain) on sales of investment securities	—	1
Loss (gain) on valuation of investment securities	—	21
Loss (gain) on sales of stocks of subsidiaries and affiliates	—	-1
Loss (gain) on sales and retirement of noncurrent assets	2	434
Provision for moving of head office	—	-194
Decrease (increase) in notes and accounts receivable-trade	-399	1,418
Decrease (increase) in inventories	-0	1
Decrease (increase) in accounts receivable-other	-877	732
Decrease (increase) in other current assets	-34	171
Increase (decrease) in notes and accounts payable-trade	-135	-89
Increase (decrease) in accounts payable-other	329	1,056
Increase (decrease) in accrued consumption taxes	-387	-961
Increase (decrease) in advances received	1,313	1,253
Increase (decrease) in other current liabilities	314	-521
Other, net	-12	9
Subtotal	39,410	42,147
Interest and dividends income received	49	78
Interest expenses paid	-0	—
Income taxes paid	-16,643	-16,057
Net cash provided by (used in) operating activities	22,815	26,169

(Unit : Million yen)

	Previous term end (as of May 31, 2008)	Current term end (as of May 31, 2009)
Net cash provided by (used in) investing activities		
Purchase of short-term investment securities	-97,343	-29,965
Proceeds from redemption of securities	113,500	63,500
Purchase of property, plant and equipment	-1,812	-28,132
Purchase of intangible assets	-0	-71
Proceeds from sales of investment securities	—	3
Proceeds from sales of stocks of subsidiaries and affiliates	—	20
Payments of short-term loans receivable	—	-25,515
Payments for guarantee deposits	-144	-914
Proceeds from collection of guarantee deposits	2	2,304
Other, net	—	91
Net cash provided by (used in) investing activities	14,202	-18,680
Net cash provided by (used in) financing activities		
Proceeds from issuance of common stock	136	15
Purchase of treasury stock	-6	-5
Proceeds from sales of treasury stock	1	1
Cash dividends paid	-21,607	-21,978
Net cash provided by (used in) financing activities	-21,477	-21,966
Net Increase/(Decrease) in cash and cash equivalents	15,541	-14,478
Cash and cash equivalents at the beginning of term	16,401	31,942
Cash and cash equivalents at the end of term ※1	31,942	17,464

(5) [Notes to going concern]

Not applicable

(6)[Significant Accounting Policies]

Term / Item	Previous term (From June 1, 2007 to May 31, 2008)	Current term (From June 1, 2008 to May 31, 2009)
Depreciation method applied to fixed assets	(1) Tangible fixed assets i) Buildings: At fixed percentage method ii) Appliances and equipment a) Computer hardware: At straight-line method b) Others: At fixed percentage method The useful life of major items are as follows: i) Buildings: 8 to 15 years ii) Appliances and equipment Personal computers: 2 years Computer servers: 3 years Others: 5 to 8 years (Additional information) Pursuant to a revision of the Corporate Income Tax Law, amortization and depreciation of fixed assets (excluding computer hardware) acquired prior to March 31, 2007 is calculated at a value equal to the difference between the asset memorandum value and 5% of the acquisition price on a straight-line basis over five years based on the previous depreciation method stipulated by the Corporate Income Tax Lax, and recorded as depreciation expenses. The effect of this change on operating income, ordinary income and net income before tax is minor. (2) Intangible fixed assets At straight-line method: 5 years	(1) Tangible fixed assets i) Buildings: At straight-line method ii) Appliances and equipment a) Computer hardware: Same as the left b) Others: At straight-line method The useful life of major items are as follows: i) Buildings: 5 to 38 years ii) Appliances and equipment Personal computers: 2 years Computer servers: 3 years Others: 5 to 15 years (Additional information) The Company has adopted the straight-line method for owned-building and related equipment that was acquired in this fiscal year. (2) Intangible fixed assets Same as the left

(7) [Changes in the accounting method]

Previous term (From June 1, 2007 to May 31, 2008)	Current term (From June 1, 2008 to May 31, 2009)
—	(Change to Depreciation Method) Property and equipment (excluding computers and related equipment) were previously depreciated using the declining-balance method. From this fiscal year, the Company has adopted the straight-line method for this property and equipment. When the head office was transferred to a building recently acquired, the Company reviewed the depreciation method for existing property and equipment in light of its business conditions in which Updates & Product Support has posted stable revenue is increasing its proportion of revenues year by year. As a result, the Company elected to adopt the straight-line method, as the method most suitable to making a reasonable adjustment for periodic income.

(8) Notes

(Related to the balance sheet)

Disclosure of notes related to the balance sheet is omitted because the necessity of disclosing such information in this year-end flash report is regarded to be not high.

(Related to the statement of income)

Previous term (From June 1, 2007 to May 31, 2008)	Current term (From June 1, 2008 to May 31, 2009)
*Business structure improvement expenses are temporary severance for employees due to the reorganization in software product division. .	* Business structure improvement expenses consist mainly of special retirement benefits as a result of improvements and expenses for leased office restoration due to the withdrawal from certain operations.

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

Previous term (from June1, 2007 to May 31, 2008)

1. Type and number of issued shares and treasury stock

	Number of shares as of May 31,2007 (Thousand shares)	Number of shares increased in the current term (Thousand shares)	Number of shares decreased in the current term (Thousand shares)	Number of shares as of May 31,2008 (Thousand shares)
Issued shares Common stock (Note)	127,052	35	—	127,087
Treasury stocks Common stock	1	1	0	2

(Note) Increase of 35 thousand outstanding shares was due to exercise of share warrants.

2. Stock acquisition right

Item	Breakdown of stock acquisition right	Type of shares converted by stock acquisition right	Number of shares converted by stock acquisition right (shares)				Term-end balance (million yen)
			Balance of previous term	Increase	Decrease	Balance of current term	
Submission company	Stock acquisition right as stock option	—	—	—	—	—	238
Total		—	—	—	—	—	238

3. Dividend

(1) Amount of paid dividends

Resolution	Type of share	Total amount of dividends (Million yen)	Dividend per share (Yen)	Reference date	Effective date
Board of director held on July 30, 2007	Common stock	12,705	100	May 31, 2007	August 30, 2007
Board of director held on December 21, 2007	Common stock	8,894	70	November 30, 2007	February 12, 2008

(2) Dividend that effective date is in the next term though its reference date was in current term

Resolution	Type of share	Total amount of dividends (Million yen)	Dividend per share (Yen)	Reference date	Effective date
Board of director held on July 25, 2008	Common stock	13,089	103	May 31, 2008	August 25, 2008

Current term (from June1, 2008 to May 31, 2009)

1. Type and number of issued shares and treasury stock

	Number of shares as of May 31,2008 (Thousand shares)	Number of shares increased in the current term (Thousand shares)	Number of shares decreased in the current term (Thousand shares)	Number of shares as of May 31,2009 (Thousand shares)
Issued shares Common stock (Note)	127,087	4	—	127,091
Treasury stocks Common stock	2	1	0	3

(Note) Increase of 4 thousand outstanding shares was due to exercise of share warrants.

2. Stock acquisition right

Item	Breakdown of stock acquisition right	Type of shares converted by stock acquisition right	Number of shares converted by stock acquisition right (shares)				Term-end balance (million yen)
			Balance of previous term	Increase	Decrease	Balance of current term	
Submission company	Stock acquisition right as stock option	—	—	—	—	—	438
Total		—	—	—	—	—	438

3. Dividend

(1) Amount of paid dividends

Resolution	Type of share	Total amount of dividends (Million yen)	Dividend per share (Yen)	Reference date	Effective date
Board of director held on July 25, 2008	Common stock	13,089	103	May 31, 2008	August 25, 2008
Board of director held on December 23, 2008	Common stock	8,896	70	November 30, 2008	February 9, 2009

(2) Dividend that effective date is in the next term though its reference date was in current term

The company will submit the following proposal at the board of directors meeting to be held on July 29, 2009.

Type of share	Total amount of dividend (Million yen)	Resource of dividend	Dividend per share (Yen)	Reference date	Effective date
Common stock	13,090	Earned surplus	103	May 31, 2009	August 28, 2009

(Related to the statement of cash flows)

<table>
<tr><th colspan="2">Previous term
(From June 1, 2007 to May 31, 2008)</th><th colspan="2">Current term
(From June 1, 2008 to May 31, 2009)</th></tr>
<tr><td colspan="2">*1.Relationship between the term end balance of cash and cash equivalents and the amount of items indicated in the balance sheet
(As of May 31, 2008)</td><td colspan="2">Relationship between the term end balance of cash and cash equivalents and the amount of items indicated in the balance sheet
(As of May 31, 2009)</td></tr>
<tr><td>Balance of cash and deposits</td><td>27,445 million yen</td><td></td><td></td></tr>
<tr><td>Balance of marketable securities</td><td>49,456 million yen</td><td></td><td></td></tr>
<tr><td>Debt securities mature over three months from the date of acquisition</td><td>-44,959 million yen</td><td>Balance of cash and deposits</td><td>17,464 million yen</td></tr>
<tr><td>Cash and cash equivalents</td><td>31,942 million yen</td><td>Cash and cash equivalents</td><td>17,464 million yen</td></tr>
</table>

Derivative transactions

Previous term (From June 1, 2007 to May 31, 2008)	Current term (From June 1, 2008 to May 31, 2009)
Not applicable, since we do not engage in the trading of derivatives.	Same as the left

Loss / Gain on equity method

Previous term (From June 1, 2007 to May 31, 2008)	Current term (From June 1, 2008 to May 31, 2009)
Not applicable	Same as the left

Transactions with related parties

Previous term（from June 1, 2007 to May 31, 2008）

Sister companies, etc.

Attributes	Corporate name	Address	Capital or investment	Scope of business or occupation	Ratio of voting and other rights in possession (or being possessed)	Relationship		Description of transactions	Transaction amount (Million yen)	Item	Term-end balance (million yen)
						Double role of directors	Business relationship				
Subsidiary of parent company	Oracle USA, Inc. (Note) 1	California, U.S.A.	US$ 0 thousand	Development and sale of software products and provision of associated services	None	None	Settlement of funds for transactions among Oracle Group companies and lending short-term loan	Settlement of funds for transactions among Oracle Group companies	3.479	Accounts payable	1,273
Subsidiary of parent company	Oracle International Corporation (Note) 2	California, U.S.A.	None	Holding and management of intellectual property rights	None	None	Conclusion of sales agency agreements	Payment of royalties	31,313	Accounts payable	3,242

(Notes) 1: Settlement of funds for transactions among Oracle Group companies (not including transactions with Oracle International Corporation) is processed through the account of Oracle USA, Inc. The above transaction amounts are funds settled, the majority of which are payments of royalties to Oracle Information Systems Japan K.K. (a subsidiary of the parent company). In addition, royalty ratios are agreed between Oracle Corporation and Group companies, including our Company, using reasonable standards that are identical.

2: Royalties are set at certain ratios of sales of Oracle products, with the ratios agreed between Oracle Corporation and Group companies that handle Oracle products, including our Company, using reasonable standards that are identical.

Current term（from June 1, 2008 to May 31, 2009）
(Additional information)

From this fiscal year, the Company adopted the Accounting Standard for Related Party Disclosures (Standard No. 11 of the Accounting Standards Board of Japan) and the Guidance on Accounting Standard for Related Party Disclosures (Guidance No. 13 by the Accounting Standards Board of Japan), both of which were announced on October 17, 2006. The scope of disclosure coverage has remained unchanged.

Attributes	Corporate name	Address	Capital or investment	Scope of business or occupation	Ratio of voting and other rights in possession (or being possessed)	Relationship	Description of transactions	Transaction amount (Million yen)	Item	Term-end balance (million yen)
Subsidiary of parent company	Oracle USA, Inc. (Note) 1	California, U.S.A.	US$ 0 thousand	Development and sale of software products and provision of associated services	None	Settlement of funds for transactions among Oracle Group companies and making a short-term loan	Fund lending	37,015	Short-term loan receivable	37,015
							Settlement of funds for transactions among Oracle Group companies	8,503	Accounts payable	1.846
Subsidiary of parent company	Oracle International Corporation (Note) 2	California, U.S.A.	None	Holding and management of intellectual property rights	None	Conclusion of sales agency agreements	Payment of royalties	28,228	Accounts payable	2,734

(Notes) Terms and conditions of transactions and decision of terms and conditions of transactions

1: The interest rate on loans is determined rationally after the market interest rate is taken into account.

2: Settlement of funds for transactions among Oracle Group companies (not including transactions with Oracle International Corporation) is processed through the account of Oracle USA, Inc. The above transaction amounts are funds settled, the majority of which are payments of royalties to Oracle Information Systems Japan K.K. (a subsidiary of the parent company). In addition, royalty ratios are agreed between Oracle Corporation and Group companies, including our Company, using reasonable standards that are identical.

3: Royalties are set at certain ratios of sales of Oracle products, with the ratios agreed between Oracle Corporation and Group companies that handle Oracle products, including our Company, using reasonable standards that are identical.

2. Notes to the Parent Company or Important Affiliates

Information on the parent company

The Company has four parent companies, namely Oracle Corporation, Oracle Systems Corporation, Oracle Global Holdings, Inc., and Oracle Japan Holding, Inc.

Oracle Corporation, which is the effective parent company of the Company, is a company listed on a foreign stock exchange (NASDAQ). Oracle Systems Corporation is a subsidiary of Oracle Corporation and the parent company of Oracle Global Holdings, Inc. Oracle Japan Holding, Inc., the direct parent company of the Company, is a subsidiary of Oracle Global Holdings, Inc. Oracle Corporation has continued to disclose financial statements covering the above four companies and the Company.

Per Share Data

(Unit: Yen)

Items	Previous term (From June 1, 2007 to May 31, 2008)	Current term (From June 1, 2008 to May 31, 2009)
Net assets per share	652.44	658.13
Net income per share	181.47	178.94
Net income per share (diluted)	181.39	178.93

(Notes)
The basis of calculation for net income per share and net income per share (diluted) is as shown below.

	Previous term (From June 1, 2007 to May 31, 2008)	Current term (From June 1, 2008 to May 31, 2009)
Net income per share		
Net income (millions of yen)	23,057	22,740
Amounts not attributable to owners of common stock (millions of yen)	—	—
Net income attributable to common stock (millions of yen)	23,057	22,740
Average number of shares during the term (shares)	127,063,203	127,087,549
Net income per share (diluted)		
Adjustment to net income (millions of yen)	—	—
Increase in common stock (shares)	52,512	5,684
(Stock acquisition right)	(52,512)	(5,684)
Details of shares not included in calculation of diluted net income per share due to non-dilative effect	Equity warrants (Type: 8 Numbers: 12,108) Subscription right (Type: 3 Numbers: 691,850)	Equity warrants (Type: 9 Numbers: 13,963) Subscription right (Type: 3 Numbers: 547,650)

(Notes to subsequent events)
Not applicable

(Omission of Disclosures)
Disclosure of notes on lease transaction, securities, retirement benefit plans, stock options and tax effect accounting was omitted, as the Company does not see a major necessity for their disclosure.

5.Others

Changes of Corporate Officers

(1) Change of Representative Officers: Not applicable

(2) Change of Corporate Officers: Not applicable