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

Flash Report for the Fiscal Year Ended May 31, 2011
[under Japanese GAAP] (Non-consolidated)

June 30, 2011

Company Name **Oracle Corporation Japan** Listed Stock Exchange: TSE 1st Section
Ticker: 4716 URL http://www.oracle.com/jp/corporate/investor-relations/index.html
Contact & responsible personal Telephone: 03-6834-6666
Representative personal Takao Endo, President & CEO
Contact & responsible personal Shigeru Nosaka, Executive Deputy President & CFO
Schedule for general shareholders meeting: August 25, 2011 Schedule for dividends payment: August 26, 2011
Schedule for annual security report: August 26, 2011
Preparation of supplementary materials on financial results: Yes
Holding of financial results conference: Yes (for analysts and institutional investors)

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

1. Financial results for this term (from June 1, 2010 to May 31, 2011)

(1) Operating result (% of change from previous year)

	Revenue		Operating Income		Ordinary Income		Net Income	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
May 2011	132,724	19.8	37,191	-4.3	37,316	-4.7	22,065	-3.5
May 2010	110,833	-4.3	38,863	-0.0	39,149	0.3	22,862	0.5

	Net income per share		Net income per share (diluted)		R O E	ROA	Operating Income Margin
	Yen	Sen	Yen	Sen	%	%	%
May 2011	173	62	173	61	25.9	28.8	28.0
May 2010	179	89	179	88	27.1	32.0	35.1

(2) Financial Position

	Total Assets	Net assets	Ratio of shareholders' equity	Net assets per share	
	Million Yen	Million Yen	%	Yen	Sen
May 2011	132,982	86,176	64.2	671	67
May 2010	125,951	85,573	67.4	668	10

Shareholders' equity May 2011: 85,364 Million Yen May 2010: 84,907 million 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 2011	22,651	-9,587	-21,584	14,834
May 2010	29,677	-2,183	-21,602	23,354

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 2010	-		70	00	-		100	00	170	00	21,604	94.5	25.6
May 2011	-		70	00	-		390	00	460	00	58,462	264.9	68.7
May 2012 (Forecast)	-		-		-		72	00	72	00		40.1	

(Note) 1. The capital surplus was used to fund part of the dividends paid for the fiscal year ended May 2011. Please refer to the details provided under "Breakdown of Dividends Paid Out of Capital Surplus."
2, Breakdown of Dividends for the year ended May 2011: a normal dividend of 93 yen and a special dividend of 297 yen per share, and year-end total dividend is 390 yen.

3. Forecast for the May 2012 term (from June 1, 2011 to May 31, 2012)

(% 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
Interin	-	-	-	-	-	-	-	-	-	-
Entire term	146,000	10.0	38,600	3.8	38,500	3.2	22,800	3.3	179	39

(Note) Since the Company is managing its performance on an annual basis, it has omitted a results forecast for the first half of the fiscal year.

4. Other information

(1) Change of significant accounting for flash report

(i) Change caused by revision of accounting standard : Yes

(ii) Others : No

(Note) Please refer to the 18 page of attached document.

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

(i) The number of shares outstanding (inclusive of treasury stock)	May 2011	127,097,471 shares
	May 2010	127,092,671 shares
(ii) The number of treasury stock	May 2011	4,935 shares
	May 2010	4,443 shares
(iii) The number of average shares outstanding	May 2011	127,091,939 shares
	May 2010	127,087,805 shares

Caution1:

These financial statements are outside the scope of review procedures under the Financial Instruments and Exchange Act. As at the time of disclosure of these financial statements, review procedures for the financial statements under the Financial Instruments and Exchange Act have not been completed.

Caution2:

Above forecast is based on the information available at a time of issuance of this report, and the actual result may change by various reasons. Please refer to Business Outcomes for Forecasts, on page 4.

Breakdown of Dividends Paid Out of Capital Surplus

The following provides a breakdown of the part of the dividends for the fiscal year ended 2011 that was paid out of the capital surplus.

Record Date	Fiscal Year End	Annual
Dividend per share (Yen)	221.00	221.00
Total dividend payments (Million Yen)	28,087	28,087

(Note) Proportional reduction in net assets: We will promptly disclose information on the percentage.

[Table of Contents of Attached Material]

1. Business Outcomes

(1) Business Outcomes

(i) Conditions during the Period

During the first half of the fiscal year under review (from June 1, 2010 to May 31, 2011), there were some signs of a recovery in corporate earnings in Japan, including an improvement in exports and production reflecting resurgent demand in emerging markets. However, companies in the areas and industries affected by the Great East Japan Earthquake on March 11, 2011 reduced IT spending because of uncertainty about the future of the economy. With the completion of the acquisition of Sun Microsystems, Inc. by Oracle Corporation, the Company's effective parent, Sun Microsystems K.K. (Setagaya-ku, Tokyo) merged with Oracle Information Systems Japan K.K. ("OIS", the surviving company) on June 1, 2010. The Company began to deal with the products and related services that Sun Microsystems K.K. handled. As a result, the Company has added hardware, including servers and storage products, to its product lineup. It now provides a full lineup of IT products and services that are used in corporate activities, including software, such as databases, middleware, and applications, and related services, which it has traditionally provided. To offer the products and services as total Oracle solutions, the Company strengthened its sales system and bolstered cooperation with partners.

Non-consolidated revenue increase 21,891 million yen or 19.8% from the previous fiscal year, to reach 132,724 million yen. The results of individual business segments are as follows:

(ii) Results by Reported Segment

[Software License]

Revenue in the Software License Segment was 38,666 million yen, up 522 million yen or 1.4% from the corresponding period of the previous fiscal year.
In this segment, the Company sells new licenses of a variety of types of software that are used in corporate activities. The segment consists of the Database & Middleware division, which sells new database management software and middleware licenses, and the Applications division, which sells licenses for ERP and other business applications.

Revenue in the Database & Middleware division was 33,706 million yen (down 1,398 million yen, or 4.0 % year on year).
In this division, the Company pursued its sales initiatives for companies developing IT infrastructure and environments for cloud computing and expanded sales of high value-added products including Exadata and a range of middleware products that can flexibly respond to business changes. The Company began providing Oracle JRockit R28, and the Company launched Oracle GoldenGate, comprehensive data integration solutions and Oracle Enterprise Content Management Suite 11g, a series of content management products in July 2010.
The parent company announced Oracle Exalogic Elastic Cloud, an integrated middleware machine that provides a complete cloud application infrastructure, consolidates a range of Java and non-Java applications, and meets the requirements at the most demanding service level, at Oracle OpenWorld held in San Francisco in September, and the Company began providing it in January 2011.
In April 2011, the Company began providing Oracle Tuxedo ART 11g R1, a new middleware product that shifts applications on mainframes to open environments. To help corporate clients implement their business continuity plans, the Company began proposing telecommuting solutions using middleware products in May.

Revenue in the Applications division stood at 4,960 million yen (rising 1,921 million yen, or 63.2% year on year).
In this division, the Company has been providing a range of business applications, especially ERP, that help customers grow. It has also provided products that have focused on specific operations in industries where customers operate. The year-on-year increase in revenue reflects launches of projects, including the updating of mission-critical systems, shake-ups of systems associated with company reorganization, and the building of group business administration systems.
The Company added a new solution called Oracle Accelerate, in June 2010. In July 2010, the Company also launched AutoVue Enterprise Visualization 20.0; Oracle Hyperion Enterprise Planning Suite, Oracle Hyperion Financial Close Suite. In October 2010, the Company launched the JD Edwards EnterpriseOne Fulfillment Management, a new function of JD Edwards EnterpriseOne. The Company followed this in November with the launch of Oracle E-BusinessSuite R12.1.3, a cutting-edge ERP application, PeopleSoft Enterprise Company Directory 9.1, the latest company directory search function of the PeopleSoft Enterprise series, and PeopleTools8.51, the latest technical base of the same series.

Then, in May 2011, the Company launched Oracle Application Integration Architecture 3.1, a cutting-edge tool for integrating heterogeneous applications using service oriented architecture (SOA), and Oracle Enterprise Performance Management System Release 11.1.2.1 (Oracle EPM System), the latest version of its business management applications featuring enhanced compatibility with International Financial Reporting Standards.

[Updates & Product Support]

Revenue in the Updates & Product Support Segment was 61,924 million yen, up 2,686 million yen or 4.5% from the corresponding period of the previous fiscal year.
This segment provides software license update rights and technical support.
With companies scaling back new investments amid continued uncertainty over the future of the economy, the Company sought to improve support levels and promoted collaboration with partners, responding appropriately to the needs of customers for continued stable operation of their existing business systems. It thereby won new contracts from customers who bought new licenses and renewal contracts from existing customers.

[Hardware Systems]

Revenue in the Hardware Systems Segment came to 15,437 million yen*.
This segment was created at the beginning of the current fiscal year and consists of the Hardware Systems Product division, which sells servers and storage products, and operating systems. And the Hardware Systems Support division provides technical support for hardware products and the maintenance and repair of hardware, and updated versions of operating systems.
Revenue in the Hardware Systems Product division stood at 3,217 million yen, primarily reflecting the sale of the servers, storage products, and other hardware products**.
Revenue in the Hardware Systems Support division was 12,219 million yen, attributable to the provision of support service for hardware of servers, storage products and others, and operating systems.

[Services]

Revenue in the Services Segment was 16,695 million yen, rising 3,244 million yen or 24.1% from the corresponding period of the previous fiscal year.
This segment consists of Advanced Support, which provides outsourcing services and value-added services including a preventive maintenance service; Education Services, which provide training for engineers and users, and also encompasses a technology qualification business; and Consulting Services, which support the introduction of products of the Company.
Revenue in the Advanced Support division amounted to 3,838 million yen (up 900 million yen, or 30.6% year on year), reflecting the start of the provision of value-added services for hardware systems and strong sales of ″Oracle On Demand.″
Although demand for training for partners and user companies recovered from the second half, revenue in the Education Services division stood at 1,728 million yen (fell 52 million yen, or 2.9% year on year).
Revenue in the Consulting Services division was 11,129 million yen (increasing 2,396 million yen, or 27.4% year on year), primarily as a result of an increase in consulting to support the implementation of applications.

* Hardware Systems was established in the first quarter, and therefore there is no year-on-year comparison.
** The contract based on Sun Microsystems K.K. was succeeded to OIS as of June 1, 2010. The company is transferring the signer from OIS to the company. Revenue under distributor agreements that had been transferred was posted for the period. And addition, the revenue of hardware systems support is appropriated to the company from the first day of this fiscal year.

<Revenue breakdown by business segments>

Item	FY2010 Amount (Million Yen)	FY2010 Comp. (%)	FY2011 Amount (Million Yen)	FY2011 Comp. (%)	FY2011 Variance (%)
Database & Middleware	35,104	31.7	33,706	25.4	-4.0
Applications	3,039	2.7	4,960	3.7	63.2
Software License	38,144	34.4	38,666	29.1	1.4
Updates & Product Support	59,237	53.4	61,924	46.7	4.5
Software Related	97,381	87.9	100,591	75.8	3.3
Hardware Systems Products	-	-	3,217	2.4	-
Hardware Systems Support	-	-	12,219	9.2	-
Hardware Systems	-	-	15,437	11.6	-
Advanced Support	2,937	2.7	3,838	2.9	30.6
Education services	1,780	1.6	1,728	1.3	-2.9
Consulting services	8,732	7.9	11,129	8.4	27.4
Services	13,451	12.1	16,695	12.6	24.1
Total	110,833	100.0	132,724	100.0	19.8

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

(iii) Forecast for the Next Fiscal year (Ending May 31, 2012)

Although the situation remains challenging given the effects of the Great East Japan Earthquake, production activities are expected to recover moderately in the next term (ending May 31, 2012), reflecting a recovery in supply chains. However, uncertainty over restrictions on electric power supply and other concerns could prompt companies to continue cutbacks in IT spending.

In responding rapidly to changes in the business environment surrounding its customers, the Company will seek to propose effective IT solutions that can contribute to business administration reform and will support customers' business activities and management innovations.

Based on the above, the Company has derived the following estimates for our business outcomes in the May 2012 term: revenue of 146,000 million yen (up 13,275 million yen, or 10.0% from the previous term); operating income of 38,600 million yen (up 1,408 million yen, or 3.8% from the previous term), ordinary income of 38,500 million yen (up 1,183 million yen, or 3.2%); net income for the term of 22,800 million yen (up 734 million yen, or 3.3%), and net income for the term per share of 179.39 yen.

Cautious Statements for the forecast

Statements in this document with respect to the Company's current plans, estimates, strategies and beliefs and other statements that are not historical facts are forward-looking statements about the future performance of the Company. These statements are based on the Company's assumptions and beliefs in light of the information currently available to it. The Company 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

The situations of the total assets, liabilities and net assets

The total assets of the Company at the end of the term stood at 132,982 million yen (up 7,031 million yen from the end of the previous term). Current assets and noncurrent assets were 88,584 million yen (rising 8,003 million yen) and 44,398 million yen (down 971 million yen) respectively. Liabilities were 46,806 million yen (increasing 6,428 million yen). As a result, net assets totaled 86,176 million yen (climbing 603 million yen). The ratio of shareholders' equity was 64.2% (down 3.2 percentage points).

The cash flow situations for the term are as follows:

(i) Cash flows from operating activates

Cash generated from operating activities was 22,651 million yen (falling 7,025 million yen year on year). The inflow is attributable to the posting of income before income taxes of 37,311 million yen and an increase in advances received of 2,260 million yen, the outflows is attributable to an increase of accounts receivable-trade of 6,595 million yen in Software license and Hardware Systems segment which was set up in the fiscal year and the payment of 16,351 million yen in income taxes.

(ii) Cash flows from investment activities

Cash used for investment activities was 9,587 million yen (up 7,403 million yen year on year).

The outflow primary includes a short-term loan (37,986 million yen) to Oracle America, INC., a subsidiary of Oracle Corporation (parent company of the Company) by applying net decrease in time deposits of 29,000 million yen.

(iii) Cash flows from financial activities

Cash used for financial activities was 21,584 million yen (falling 18 million yen year on year). The outflow was primarily appropriated to the payment of dividends.

In total, cash and equivalents decreased 8,520 million yen from the end of the previous term, to 14,834 million yen.

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

	May 2009	May 2010	May 2011
Capital ratio (%)	70.5	67.4	64.2
Capital ratio based on market prices (%)	364.0	429.8	339.3

(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 enhance corporate value and consistently distribute profits to shareholders.

The basic policy for the distribution of surplus is to provide a stable and continuous return to shareholders through dividends, while ensuring a management flexibility by keeping financial indicators such as shareholders' equity ratio and return on equity at a reasonable level, and comprehensively taking into account the balance between the cash required for the Company's business plan, business results, and cash flows.

Based on this policy, we aim to achieve a dividend payout ratio of approximately 40% for the foreseeable future. To minimize administrative costs related to dividends, we will pay only one dividend a year, as a year-end dividend.

With respect to the purchase of treasury stock, the reduction of reserves, and the appropriation of surpluses and other procedures, we will take action as appropriate, based on the financial situation of the Company.

For dividends for the fiscal year under review, we have paid an interim dividend of 70 yen per share (the same as in the previous fiscal year). As a return of profits to shareholders, we will pay a special dividend out of capital reserve and earned reserve, on the premise that the reduction in capital reserve and earned reserve are approved at the 26th Ordinary General Meeting of Shareholders to be held in August 2011. As a result, we will pay a year-end dividend of 390 yen per share (of which a normal dividend of 93 yen and a special dividend of 297 yen, an increase of 290 yen from the previous fiscal year). This will result in an annual dividend of 460 yen per share (up 290 yen).

For the next fiscal year, we plan to pay a year-end dividend of 72 yen per share (down 388 yen from the preceding year) based on the fundamental policy described above.

(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.

With an agreement between tax authorities in Japan and the United States on transfer prices, Royalties payable to Oracle International Corporation has been increased since the beginning of the fiscal year under review (from June 1, 2010 to May 31, 2011). The change in royalties are reflected appropriately in the financial statements.

(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 25.4%, 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 lisence account for a huge 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

With respect to fund management, the Company ensures a very high level of safety and appropriate liquidity by investing in highly rated securities and depositing funds at highly rated financial institutions under the Company's fund management regulations (which conform to the global policy of Oracle Corporation).

The Company reduces the risk by having each company review of market price and financial condition regularly.

In addition, we will not conduct derivative transactions.

However, if the financial institutions that manage financial instruments for the Company fail, if a default on bonds occurs, or if investment products incur a loss of principal, this could affect the operating results and financial position of the Company.

In relation to notes, accounts receivable-trade and accounts receivable-other, the Company has established a system for carrying out due date control and balance management and obtaining information on the credit standing of each debtor under the Company’s credit management regulations (which conform to the global policy of Oracle Corporation). However, if the business conditions and financial position of debtors worsen, the Company could incur 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, 2011, the total number of our shares covered by equity warrants reaches 2,041,700 equivalent to 1.6% 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

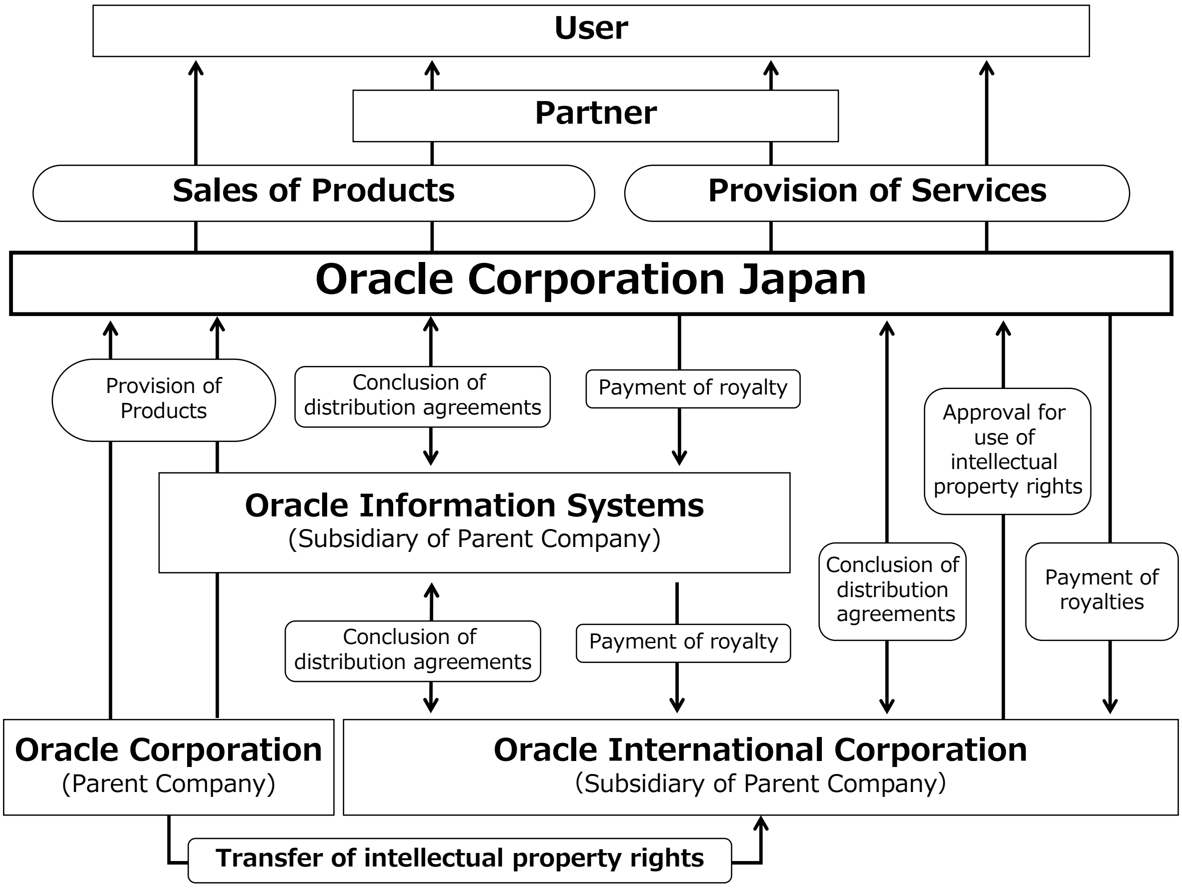
There are no significant doubts regarding the ability of the Company to continue as a going concern.

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. Oracle Information Systems has the rights to license and sell products acquired by Oracle Corporation in Japan. The Company concluded distribution agreements with Oracle Information Systems, and has been selling acquired products and providing services to support the use of these products.

(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 to improve corporate value and return profits to shareholders by boosting revenue and operating income.

(3) Business strategies for the medium and long terms

To achieve its basic business policy of creating new IT value and contributing to customer success and the development of society, the Company will seek to harness the outcomes of Oracle Corporation’s proactive product development and M&A strategies. The Company will also target growth strategies and develop its management foundations to build long-term partnerships with its customers.

To that end, the Company has developed its new three-year management plan, the Midterm Corporate Strategy “Grow Grow Grow” which will cover the year ending May 2012 through the year ending May 2014. The Company will pursue two strategies: Growth Initiatives for external growth and a Foundation strategy for bolstering the management base.

Through Growth Initiatives, we will introduce a business model that focuses on developing market-leading solutions based on our databases, which hold a dominant share of the market, and extensive and competitive product lines encompassing hardware and applications and strengthening our market coverage and sales skills.

In the Foundation strategy, to execute the Growth Initiative, the Company will nurture diversified and professional talented personnel, and create a comprehensive management foundation fully utilize its global management resources.

Through these initiatives, the Company is aiming to record a compound annual growth rate (CAGR) of about 12% in revenue and a CAGR of about 10% in operating income from the fiscal year ended May 31, 2011 to the fiscal year ending May 31, 2014, the final year of the medium-term management plan.

For details of the medium-term management plan, please refer to the notice on the formulation of the medium-term management plan announced on June 30, 2011.

(4) Issues to address

The Company aims to address the following key issues:

Thanks to active M&A and product development by Oracle Corporation (our parent company), we have strengthened our product offerings and have built a system for offering solutions that integrate software and hardware to support the business activities of our customers. Based on this system, we aim to earn the long-term trust of our customers and achieve further growth by creating new IT value and contributing to customers' success and social development. To achieve this aim, we believe we need to take the following initiatives:

① We will enhance and expand our operating structure from our customers' perspective and will bolster the strength of our solutions, consisting of the comprehensive capability of our products and the special features of individual products, and thereby creating further demand.

② We will bolster collaborative systems, strengthen our relationships with customers, and create new businesses by sustaining stable relationships of trust with partner companies and sharing business strategies.

③ We will recruit and cultivate the best employees who can explain the value of total solutions, one of our strengths, to our partner companies and customers.

④We aim to strengthen our system for offering solutions in software and hardware products, as well as related services, using an integrated and organized approach.

(5) Other Important Affiliates

Not Applicable.

4. Financial Statements

(1) Balance Sheet

(Unit : Million yen)

	Previous term end (as of May 31, 2010)	Current term end (as of May 31, 2011)
Assets		
Current assets		
Cash and deposits	59,353	22,830
Notes receivable-trade	1	-
Accounts receivable-trade	15,496	22,093
Short-term investment securities	3,001	2,003
Merchandise	3	0
Prepaid expenses	149	146
Deferred tax assets	1,646	2,216
Short-term loans receivable	-	37,986
Accounts receivable-other	879	1,280
Other	51	27
Allowance for doubtful accounts	-2	-2
Total current assets	80,580	88,584
Noncurrent assets		
Property, plant and equipment		
Buildings	17,576	17,697
Accumulated depreciation	-1,687	-2,582
Buildings, net	15,889	15,114
Tools, furniture and fixtures	3,679	3,883
Accumulated depreciation	-2,137	-2,438
Tools, furniture and fixtures, net	1,541	1,444
Land	26,057	26,057
Total property, plant and equipment	43,488	42,615
Intangible assets		
Software	49	35
Other	0	0
Total intangible assets	49	35
Investments and other assets		
Investment securities	310	176
Deferred tax assets	238	250
Guarantee deposits	1,257	1,295
Bankruptcy and reorganization claim	0	0
Other	35	34
Allowance for doubtful accounts	-9	-9
Total investments and other assetsi	1,832	1,747
Total noncurrent assets	45,370	44,398
Total assets	125,951	132,982

(Unit : Million yen)

	Previous term end (as of May 31, 2010)	Current term end (as of May 31, 2011)
Liabilities		
Current liabilities		
Accounts payable-trade	5,994	8,203
Accounts payable-other	3,366	5,222
Income taxes payable	8,617	8,016
Accrued consumption taxes	1,560	1,379
Advances received	19,111	21,371
Deposits received	220	37
Provision for bonuses	1,237	2,144
Provision for directors' bonuses	22	36
Provision for product warranties	-	4
Other	156	298
Total current liabilities	40,287	46,715
Noncurrent liabilities		
Other	91	91
Total noncurrent liabilities	91	91
Total liabilities	40,378	46,806
Net assets		
Shareholders' equity		
Capital stock	22,292	22,301
Capital surplus		
Legal capital surplus	33,730	33,739
Total capital surplus	33,730	33,739
Retained earnings		
Legal retained earnings	1,000	1,000
Other retained earnings		
Retained earnings brought forward	27,904	28,365
Total retained earnings	28,904	29,365
Treasury stock	-21	-22
Total shareholders' equity	84,906	85,383
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	1	-19
Total valuation and translation adjustments	1	-19
Subscription rights to shares	665	812
Total net assets	85,573	86,176
Total liabilities and net assets	125,951	132,982

(2) Statement of Income

(Unit : Million yen)

		Previous Term (From June 1, 2009 to May 31, 2010)	Current Term (From June 1, 2010 to May 31, 2011)
Net sales		110,833	132,724
Cost of sales		47,887	67,167
Gross profit		62,945	65,556
Selling, general and administrative expenses		24,082	28,365
Operating income		38,863	37,191
Non-operating income			
Interest income		160	97
Interest on securities		2	2
Dividends income of insurance		35	29
Other		90	34
Total non-operating income		288	163
Non-operating expenses			
Foreign exchange losses		―	37
Other		2	0
Total non-operating expenses		2	37
Ordinary income		39,149	37,316
Extraordinary income			
Gain on reversal of subscription rights to shares		21	57
Gain on sales of investment securities		16	70
Total extraordinary income		38	127
Extraordinary loss			
Business structure improvement expenses	※	376	108
Loss on retirement of noncurrent assets		19	―
Loss on adjustment for changes of accounting standard for asset retirement obligations		―	24
Total extraordinary loss		395	132
Income before income taxes		38,792	37,311
Income taxes-current		15,976	15,812
Income taxes-deferred		-46	-566
Income taxes		15,930	15,245
Net income		22,862	22,065

(3) Statement of changes in shareholders' equity

(Unit : Million yen)

	Previous term end (as of May 31, 2010)	Current term end (as of May 31, 2011)
Shareholders' equity		
Capital stock		
Balance at the end of previous period	22,290	22,292
Changes of items during the period		
Issuance of new shares-exercise of subscription rights to shares	2	9
Total changes of items during the period	2	9
Balance at the end of current period	22,292	22,301
Capital surplus		
Legal capital surplus		
Balance at the end of previous period	33,728	33,730
Changes of items during the period		
Issuance of new shares-exercise of subscription rights to shares	2	9
Total changes of items during the period	2	9
Balances at end of current period	33,730	33,739
Total capital surplus		
Balances at end of previous period	33,728	33,730
Changes of items during the period		
Disposal of treasury stock	2	9
Total changes of items during the period	2	9
Balances at end of current period	33,730	33,739
Retained earnings		
Legal retained earnings		
Balances at end of previous period	1,000	1,000
Changes of items during the period		
Total changes of items during the period	—	—
Balances at end of current period	1,000	1,000
Other retained earnings		
Retained earnings brought forward		
Balances at end of previous period	26,647	27,904
Changes of items during the period		
Dividends from surplus	-21,604	-21,605
Net income	22,862	22,065
Disposal of treasury stock	—	-0
Total changes of items during the period	1,257	460
Balances at end of current period	27,904	28,365
Total retained earnings		
Balances at end of previous period	27,647	28,904
Changes of items during the period		
Dividends from surplus	-21,604	-21,605
Net income	22,862	22,065
Disposal of treasury stock	—	-0
Total changes of items during the period	1,257	460
Balances at end of current period	28,904	29,365

(Unit : Million yen)

	Previous term end (as of May 31, 2010)	Current term end (as of May 31, 2011)
Treasury stock		
Balances at end of previous period	-17	-21
Changes of items during the period		
Purchase of treasury stock	-3	-2
Disposal of treasury stock	―	0
Total changes of items during the period	-3	-1
Balances at end of current period	-21	-22
Total shareholders' equity		
Balances at end of previous period	83,648	84,906
Changes of items during the period		
Issuance of new shares-exercise of subscription rights to shares	4	18
Dividends from surplus	-21,604	-21,605
Net income	22,862	22,065
Purchase of treasury stock	-3	-2
Disposal of treasury stock	―	0
Total changes of items during the period	1,257	477
Balances at end of current period	84,906	85,383
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balances at end of previous period	-7	1
Changes of items during the period		
Net changes of items other than shareholders' equity	9	-20
Total changes of items during the period	9	-20
Balances at end of current period	1	-19
Total valuation and translation adjustments		
Balances at end of previous period	-7	1
Changes of items during the period		
Net changes of items other than shareholders' equity	9	-20
Total changes of items during the period	9	-20
Balances at end of current period	1	-19
Subscription rights to shares		
Balances at end of previous period	438	665
Changes of items during the period		
Net changes of items other than shareholders' equity	226	147
Total changes of items during the period	226	147
Balances at end of current period	665	812
Net assets		
Balances at end of previous period	84,079	85,573
Changes of items during the period		
Issuance of new shares-exercise of subscription rights to shares	4	18
Dividends from surplus	-21,604	-21,605
Net income	22,862	22,065
Purchase of treasury stock	-3	-2
Disposal of treasury stock	―	0
Net changes of items other than shareholders' equity	235	126
Total changes of items during the period	1,493	603
Balances at end of current period	85,573	86,176

(4)Statement of Cash Flows

(Unit : Million yen)

	Previous term end (as of May 31, 2010)	Current term end (as of May 31, 2011)
Net cash provided by (used in) operating activities		
Income before income taxes	38,792	37,311
Depreciation and amortization	1,437	1,498
Share-based compensation expenses	247	204
Increase (decrease) in allowance for doubtful accounts	-5	—
Increase (decrease) in provision for bonuses	461	907
Increase (decrease) in provision for directors' bonuses	22	13
Increase (decrease) in provision for product warranties	—	4
Interest and dividends income	-191	-115
Loss (gain) on sales of investment securities	-16	-70
Loss (gain) on sales and retirement of noncurrent assets	21	0
Decrease (increase) in notes and accounts receivable-trade	-189	-6,595
Decrease (increase) in inventories	-0	2
Decrease (increase) in accounts receivable-other	-342	-403
Decrease (increase) in other current assets	4	4
Increase (decrease) in notes and accounts payable-trade	1,363	2,208
Increase (decrease) in accounts payable-other	-692	1,893
Increase (decrease) in accrued consumption taxes	1,560	-181
Increase (decrease) in advances received	1,806	2,260
Increase (decrease) in other current liabilities	163	-101
Other, net	-11	21
Subtotal	44,431	38,864
Interest and dividends income received	209	138
Income taxes paid	-14,963	-16,351
Net cash provided by (used in) operating activities	29,677	22,651
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	-545	-666
Proceeds from sales of property, plant and equipment	4	12
Purchase of intangible assets	-0	-1
Proceeds from sales of investment securities	34	170
Payments of short-term loans receivable	—	-37,986
Collection of loans receivable	37,015	—
Payments into time deposits	-69,000	-50,000
Proceeds from withdrawal of time deposits	30,000	79,000
Payments for guarantee deposits	-2	-300
Proceeds from collection of guarantee deposits	309	184
Net cash provided by (used in) investing activities	-2,183	-9,587
Net cash provided by (used in) financing activities		
Proceeds from issuance of common stock	4	18
Purchase of treasury stock	-3	-2
Proceeds from sales of treasury stock	—	0
Cash dividends paid	-21,603	-21,600
Net cash provided by (used in) financing activities	-21,602	-21,584
Net Increase/(Decrease) in cash and cash equivalents	5,890	-8,520
Cash and cash equivalents at beginning of period	17,464	23,354
Cash and cash equivalents at end of period ※	23,354	※ 14,834

(5) [Notes to going concern]

Not applicable

(6)[Significant Accounting Policies]

Disclosure of Significant Accounting Policies is omitted, other than Application of Accounting Standard for Asset Retirement Obligations, there is no significant changes from the latest annual report submitted on August 27, 2010

(7) [Changes in the accounting method]

Application of Accounting Standard for Asset Retirement Obligations

Effective from the first quarter of the fiscal year, the Company has applied the Accounting Standard for Asset Retirement Obligations (ASBJ Statement No. 18, issued on March 31, 2008) and Guidance on Accounting Standard for Asset Retirement Obligations (ASBJ Guidance No. 21, issued on March 31, 2008).

As a result, the above changes had limited impact on gross profit, operating income, ordinary income or income before income taxes for the fiscal year under review.

(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, 2009 to May 31, 2010)	Current term (From June 1, 2010 to May 31, 2011)
* 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.	* Business structure improvement expenses consist mainly of special retirement benefits.

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

Previous term (from June1, 2009 to May 31, 2010)

1. Type and number of issued shares and treasury stock

	Number of shares as of May 31,2009 (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 31,2010 (Thousand shares)
Issued shares Common stock (Note)	127,091	1	—	127,092
Treasury stocks Common stock	3	0	—	4

(Note) Increase of 1 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	—	—	—	—	—	665
Total		—	—	—	—	—	665

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 29, 2009	Common stock	12,708	100	May 31, 2009	August 28, 2009
Board of director held on December 22, 2009	Common stock	8,896	70	November 30, 2009	February 8, 2010

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

Type of share	Total amount of dividend (Million yen)	Resource of dividend	Dividend per share (Yen)	Reference date	Effective date
Common stock	12,708	Earned surplus	100	May 31, 2010	August 12, 2010

Current term (from June1, 2010 to May 31, 2011)

1. Type and number of issued shares and treasury stock

	Number of shares as of May 31,2010 (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 31,2011 (Thousand shares)
Issued shares Common stock (Note)	127,092	4	－	127,097
Treasury stocks Common stock	4	0	0	4

(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	－	－	－	－	－	812
Total		－	－	－	－	－	812

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 23, 2010	Common stock	12,708	100	May 31, 2010	August 12, 2010
Board of director held on December 22, 2010	Common stock	8,896	70	November 30, 2010	February 7, 2011

(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 21, 2011.

Type of share	Total amount of dividend (Million yen)	Resource of dividend	Dividend per share (Yen)	Reference date	Effective date
Common stock	21,478	Earned surplus	169	May 31, 2011	August 26, 2011
	28,087	Capital surplus	221	May 31, 2011	August 26, 2011
Total	49,566		390		

(Note) The above mentioned dividend from the capital surplus is subject to the approval of the agenda for reduction of Legal capital surplus at the general shareholders' meeting to be held on August 25, 2011.

(Related to the statement of cash flows)

Previous term (From June 1, 2009 to May 31, 2010)		Current term (From June 1, 2010 to May 31, 2011)	
*Relationship between the term end balance of cash and cash equivalents and the amount of items indicated in the balance sheet		*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, 2010)		(As of May 31, 2011)
Balance of cash and deposits	59,353 million yen	Balance of cash and deposits	22,830 million yen
Balance of marketable securities	3,001 million yen	Balance of marketable securities	2,003 million yen
Time deposits	-39,000 million yen	Time deposits	-10,000 million yen
Cash and cash equivalents	23,354 million yen	Cash and cash equivalents	14,834 million yen

Derivative transactions

Previous term (From June 1, 2009 to May 31, 2010)	Current term (From June 1, 2010 to May 31, 2011)
Not applicable, since we do not engage in the trading of derivatives.	Same as the left

Segment Information

(Additional information)

Effective from this fiscal year, the Company is applying the Revised Accounting Standard for Disclosures about Segments of an Enterprise and Related Information (Accounting Standards Board of Japan Statement No. 17 revised on March 27, 2009) and the Guidance on the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information (ASBJ Guidance No. 20 issued on March 21, 2008).

1. Overview of Reportable Segments

The reportable segments of the Company are segments for which separate financial statements are available and which the supreme decision-making body examines regularly to determine the distribution of management resources and to evaluate performance. Based on organizational structures and the characteristics of products and services, the Company has classified business segments into four reportable segments: Software License, Updates & Product Support, Hardware Systems, and Services.

The Software License Segment sells variety of licenses of database management software, middleware, and application software that are used in corporate activities.

The Updates & Product Support Segment provides software license update rights and technical support.

The Hardware Systems Segment sells hardware including servers and storage products, and provides technical support for hardware products and the maintenance and repair of hardware.

The Services Segment offers consulting services, advanced support, and education services.

2. Accounting methods used to calculate segment income (loss), segment assets and other items for reportable segments

Accounts for reportable segments are for the most part calculated in line with Significant Accounting Policies described in the latest annual report submitted on August 27, 2010. Segment income (loss) for reportable segments is based on operating income (loss).

3. Segment income (loss), segment assets and other items for reportable segments

Previous term (from June1, 2009 to May 31, 2010)

(Unit : Million Yen)

	Reportable operating segments				Adjustment (Note) 1	Amount on Statement of Income (Note) 2
	Software License	Updates & Product Support	Services	Total		
Sales						
External customers	38,144	59,237	13,451	110,833	—	110,833
Intersegment net sales or transfer	—	—	—	—	—	—
Total	38,144	59,237	13,451	110,833	—	110,833
Operating income (loss)	7,306	33,292	2,304	42,903	-4,040	38,863
Other item						
Depreciation (Note)3	627	177	349	1,154	283	1,437

(Notes): 1.A segment profit adjustment of minus 4,040 million yen is a Company-wide expense, which primarily relates to administrative departments that do not belong to any reported segment.
2. Segment profits are adjusted in comparison with operating income in the statement of income.
3.Depreciation in Adjustment primarily relates to administrative departments that do not belong to any reportable segment.
4.Based on the decision of management, the supreme decision-making body does not allocate segment information on assets to reportable segments. Consequently, the Company does not disclose that information.

Current term (from June1, 2010 to May 31, 2011)

(Unit : Million Yen)

	Reportable operating segments					Adjustment (Note) 1	Amount on Statement of Income (Note) 2
	Software License	Updates & Product Support	Hardware Systems	Services	Total		
Sales							
External customers	38,666	61,924	15,437	16,695	132,724	—	132,724
Intersegment net sales or transfer	—	—	—	—	—	—	—
Total	38,666	61,924	15,437	16,695	132,724	—	132,724
Operating income (loss)	5,823	32,595	1,057	2,930	42,406	-5,215	37,191
Other item							
Depreciation (Note)3	665	183	85	346	1,280	218	1,498

(Notes): 1.A segment profit adjustment of minus 5,215 million yen is a Company-wide expense, which primarily relates to administrative departments that do not belong to any reported segment.
2. Segment profits are adjusted in comparison with operating income in the statement of income.
3.Depreciation in Adjustment primarily relates to administrative departments that do not belong to any reportable segment.
4.Based on the decision of management, the supreme decision-making body does not allocate segment information on assets to reportable segments. Consequently, the Company does not disclose that information.

Loss / Gain on equity method

Previous term (From June 1, 2009 to May 31, 2010)	Current term (From June 1, 2010 to May 31, 2011)
Not applicable	Same as the left

Transactions with related parties

Previous term（from June 1, 2009 to May 31, 2010）

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 America, Inc. (Note) 1	California, U.S.A.	US$ 0 thousand	Development and sale of software products and hardware, and provision of associated services	None	Settlement of funds for transactions among Oracle Group companies and making a short-term loan	Collection of loans receivables (Note) 2	37,015	Short-term loan receivable	–
							Settlement of funds for transactions among Oracle Group companies (Note)3	8,266	Accounts payable	2,122
Subsidiary of parent company	Oracle International Corporation	California, U.S.A.	None	Holding and management of intellectual property rights	None	Conclusion of sales agency agreements	Payment of royalties (Note) 4	28,104	Accounts payable	2,822

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

1: Regarding Oracle USA, Inc., the entity merged into Sun Microsystems, Inc. on February 15, 2010. Sun Microsystems, Inc. was the survivor and concurrently renamed Oracle America, Inc.

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

3: Settlement of funds for transactions among Oracle Group companies (not including transactions with Oracle International Corporation) is processed through the account of Oracle America, Inc. The above transaction amounts are funds settled, the majority of which are payments of royalties (FY10 7,979 million yen) to Oracle Information Systems Japan K.K. (a subsidiary of the parent company).

4: 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.

Current term（from June 1, 2010 to May 31, 2011）

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 America, Inc.	California, U.S.A.	US$ 0 thousand	Development and sale of software products and hardware, and provision of associated services	None	Settlement of funds for transactions among Oracle Group companies and making a short-term loan	Fund lending (Note) 1	37,986	Short-term loan receivable	37,986
							Settlement of funds for transactions among Oracle Group companies (Note) 2	18,724	Accounts payable	3,699
								18,396	Accounts payable-other	3,537
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 (Note) 3	32,687	Accounts payable	4,106

(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. Interest income (3million) yen has been booked in this fiscal year.

2: The settlement of funds for transactions among Group companies of Oracle Corporation (not including transactions with Oracle International Corporation) is processed through the account of Oracle America, Inc. The above transaction amounts in accounts payable are settlements, the majority of which are the payments of royalties (8,340 million yen in FY11) to Oracle Information Systems Japan K.K. (a subsidiary of the parent company) and the purchases of products (10,151 million yen in FY11) relating to the Hardware Systems segment, which was set up in the fiscal year under review. In addition, royalties and prices for products purchased 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, 2009 to May 31, 2010)	Current term (From June 1, 2010 to May 31, 2011)
Net assets per share	668.10	671.67
Net income per share	179.89	173.62
Net income per share (diluted)	179.88	173.61

(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, 2009 to May 31, 2010)	Current term (From June 1, 2010 to May 31, 2011)
Net income per share		
Net income (millions of yen)	22,862	22,065
Amounts not attributable to owners of common stock (millions of yen)	—	—
Net income attributable to common stock (millions of yen)	22,862	22,065
Average number of shares during the term (shares)	127,087,805	127,091,939
Net income per share (diluted)		
Adjustment to net income (millions of yen)	—	—
Increase in common stock (shares)	9,420	5,229
Details of shares not included in calculation of diluted net income per share due to non-dilative effect	Equity warrants (Type: 7 Numbers: 12,886) Subscription right (Type: 2 Numbers: 326,900)	Equity warrants (Type: 9 Numbers: 14,535) Subscription right (Type: 1 Numbers: 172,500)

(Notes to subsequent events)
Not Applicable

(Omission of Disclosures)
Disclosure of notes on lease transaction, financial instruments, securities, retirement benefit plans, stock options, asset retirement obligations 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