

(Translation purposes only)

# Quarterly Securities Report

(The Second Quarter of 38th Business Term)

Oracle Corporation Japan

(E05027)

(Translation purposes only)

38th business term (from September 1, 2022 to November 30, 2022)

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# Quarterly Securities Report

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1. The original text of the Practical Guidance is prepared in the Japanese language, and this translation is to be used solely as reference material to aid in the understanding of the Practical Guidance. For all purposes of interpreting and applying the Practical Guidance, users should consult the original Japanese texts available on the following website; <https://www.oracle.com/a/ocom/docs/jp-investor-relations/fy23q2-qreport.pdf>
2. In addition to a review report that has been attached to the Quarterly Securities Report, this document also includes a confirmation document at the end of the report.

(Translation purposes only)

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**【Title Page】**

<b>【Submitted document】</b>	Quarterly Securities Report
<b>【Text used as grounds for document】</b>	Article 24-4-7 (1) of the Financial Instruments and Exchange Act
<b>【For submission to】</b>	Kanto Finance Bureau
<b>【Date of submission】</b>	January 10, 2023
<b>【Fiscal year】</b>	The Second Quarter of 38th Business Term (from September 1, 2022 to November 30, 2022)
<b>【Company name】</b>	ORACLE CORPORATION JAPAN
<b>【Company name in English】</b>	ORACLE CORPORATION JAPAN
<b>【Name and title of representative】</b>	Hiroko Utsumi (Name on the family register : Hiroko Naka), Representative Corporate Executive Officer & Managing Counsel
<b>【Current location of head office】</b>	2-5-8 Kita-Aoyama, Minato-ku, Tokyo
<b>【Phone】</b>	813(6834)6666
<b>【Name of administrative contact】</b>	Yushi Murano, Senior Director, Corporate Accounting
<b>【Location of nearest contact】</b>	2-5-8 Kita-Aoyama, Minato-ku, Tokyo
<b>【Phone】</b>	813(6834)6666
<b>【Name of administrative contact】</b>	Yushi Murano, Senior Director, Corporate Accounting
<b>【Location subjected to inspection】</b>	Tokyo Stock Exchange, Inc. (2-1 Kabuto-cho, Nihombashi, Chuo-ku, Tokyo)

(Translation purposes only)

Part 1 【Information About the Company】

I 【Company Overview】

1. 【Movements in Key Performance Indicators, etc.】

Status of submitting company

Term		37th 2nd Quarter	38th 2nd Quarter	37th
Closing month/year		From June 1, 2021 to November 30, 2021	From June 1, 2022 to November 30, 2022	From June 1, 2021 to May 31, 2022
Revenue	(million yen)	102,084	107,796	214,691
Ordinary income	(million yen)	34,177	34,834	73,543
Net income	(million yen)	23,685	24,158	51,182
Return on investment with application of equity method	(million yen)	—	—	—
Capital stock	(million yen)	25,055	25,094	25,067
Total numbers of shares outstanding	(thousand shares)	128,251	128,267	128,256
Net assets	(million yen)	97,804	130,168	125,355
Total assets	(million yen)	194,366	234,800	236,868
Net income per share	(yen)	184.94	188.49	399.55
Net income per share (diluted)	(yen)	184.88	188.45	399.42
Dividends per share	(yen)	—	—	160
Ratio of shareholders' equity	(%)	50.3	55.4	52.9
Cash flows from operating activities	(million yen)	19,099	24,463	53,091
Cash flows from investing activities	(million yen)	99,895	(379)	99,835
Cash flows from financing activities	(million yen)	(146,829)	(20,477)	(146,832)
Cash and cash equivalents at the end of period	(million yen)	26,176	63,788	60,142

Term		37th 2nd Quarter	38th 2nd Quarter
Closing month/year		From September 1, 2021 to November 30, 2021	From September 1, 2022 to November 30, 2022
Net income per share	(yen)	93.03	100.09

(Note) 1. Our company does not compile consolidated financial statements; thus it does not mention movements in consolidated business benchmarks, etc.

2. Return on investment in the event of the use of an equity method is not indicated as the company has no affiliated companies.

3. Posted as treasury stock included in shareholders' equity, the treasury shares which remain in the BIP trust and the ESOP trust are included in the treasury stock to be deducted in the calculation of the number of average shares outstanding during the term in order to calculate the net income per share and net income per share (diluted) .

(Translation purposes only)

2. **【Details of Business】**

In the cumulative second quarter ended November 30, 2022, there were no significant changes in the contents of the businesses operated by the Company and the Group belongs to.

(Translation purposes only)

## II 【Status of Business】

### 1. 【Business Risks】

For the six-month period ended November 30, 2022, there is no significant change in business risks which were described on our Annual Securities Report for the year ended May 31, 2022

### 2. 【Management's Discussion and Analysis of Financial Position, Operating Results and Cash Flows】

The various quarterly financial sheets, etc. of our company have been compiled based on accounting standards which are generally recognized as fair and reasonable in our country. The compilation of these quarterly financial sheets, etc. require assets and debts as of the final day of the period and hypotheses and estimates within the accounting period which could impact revenue and costs. While an estimate may have been considered reasonable based on past situations and experiences, they may vary from actual results due to changes in hypotheses or criteria. Matters regarding the future stated in this document are based on the judgment of the Company as of the day of the submission of this quarterly report.

#### (1) Analysis of Financial Status

##### (i) Overview

During the second quarter under review (from June 1, 2022 to November 30, 2022, hereinafter “this quarter”), the Company posted 107,796 million yen (up 5.6% year on year) in revenue, 34,707 million yen (rising 1.8% ) in operating income, 34,834 million yen (gaining 1.9%) in ordinary income and 24,158 million yen (increasing 2.0%) in net income.

For revenue and each profit category indicated attained hit record high as this second quarter.

The Japanese information services industry in which the Company operates were gradually recovering in migrating to the Cloud and IT investment aimed at corporate growth and boosting competitiveness, including investing in new technologies exemplified by Autonomous, AI, Machine learning or Deep learning technology, improving efficiency through the use of variable digital data, building the IT environment to realize sustainable management and strengthening contact points with end users.

In this business environment, the Company is expanding our Cloud business for realizing Customers’ innovation, for their business transformation, and for supporting their firm growth.

As the COVID-19 virus (Coronavirus) was showing up in early 2020, the Company recognizes that one of its most important business missions is to protect safety and health of its employees’ and customers’ and to continue its business stably. The Company has shifted promptly to remote working style and pressed ahead with efforts to ensure efficient risk management and to strengthen our sales capabilities continuously. The Company re-opened its offices in phases which could realize a higher level of autonomy and hybrid working style.

##### (ii) Results by Reported Segment

###### Go to Market Strategy

###### Mission Statement

The Company is aiming for further business growth by supporting our customer’s cloud migration of their core systems and active data utilization. Its mission is to help people see data in new ways, discover insights, unlock endless possibilities.

We have confidence that continuing to evolve ourselves and navigating the evolution of our customers will be a step toward guiding the world in the right direction, and ultimately will contribute to society and humankind.

###### Our Strength

The Company is aiming for further business growth by supporting our customers’ cloud migration of their core systems and active data utilization with deepen customer-trust, which is based on “Be a TRUSTED TECHNOLOGY ADVISOR”. We have practiced DX (Digital Transformation) with our Cloud Journey to the Cloud by own technology which brought business success to ourselves. By accelerating to deploy and implement our technology to the customers, we support their Cloud Journey to Data-driven DX.

The Company has the comprehensive product portfolio which consists of platform, applications, hardware which can be deployed on cloud environment and on-premise environment. Especially our software license products have been widely adopted in the field of mission critical systems, which have demanded high security, availability and high performance for many years. The Oracle Cloud, which the Company has focused on as a pillar of its new business, has been developed based on the same system architecture and technologies as these software licenses, and the Company enjoys a strength in enabling coordination and bidirectional migration between on-premises systems built with the software licenses products and the Oracle Cloud.

###### Key Initiatives

The Company is further accelerate to provide its Cloud services, which maximize the value of information by data-driven approaching and supporting services for customers to utilize our Cloud Services that we have been focusing on. License team and Cloud one proceed the deals and projects by cooperating with each other, hereby the Company drives its customers’ Cloud Transformation.

(Translation purposes only)

Furthermore, we reinforce our industry model by collaborating cross-functionally, which contribute customers' business with deploying optimal Oracle Solutions in each industry.

The five measures which make "To Accelerate Cloud Transformation"

1) Mission Critical Systems Modernization

To support the transformation of cost structure, the minimization of business continuity risk, and the balance of the ability to adjust and respond to change.

2) End-to-End Business Process Digitalization

To support the reduction of back office load and the concentration of management resources on high-value-added businesses.

3) Resilient Social Infrastructure Realization

To support the realization of a robust and secure social infrastructure which is required for Economic Security.

4) Business and Social Sustainability Acceleration

To support the enhancement of corporate value in the mid-term and the realization of a Sustainable economy by power of IT.

5) Co-Innovation Partner Eco-system Enhancement

To promote our key initiatives by leveraging a mutual strength of us and our stakeholders.

(Glossary)

- Cloud service: Providing software and hardware resources which are used for IT system infrastructure at companies and other organizations as services under agreements for certain periods through the networks such as Internets.
- On-premises: A form of IT system developed and operated as the company's possession.

[Cloud & License]

Revenue in the Cloud & license segment was 89,328 million yen, up 6.1% from the corresponding period of the previous fiscal year and Operating income was 34,515 million yen, raising 2.3%. Revenue in the Cloud license & on-premise license was 19,464 million yen (increasing 8.0% year on year), revenue in the Cloud services & license support was 69,864 million yen (increasing 5.5 % year on year).

This segment consists of the "Cloud license & on-premise license" that the Company sells software licenses for database management software, a range of middleware, and ERP and other business applications, etc., the "License support" that the Company provides software updates and technical support for customers using the Company's software licenses, and the "Cloud services" are services the Company provides the resources of software and hardware via the Internet.

In the Cloud license and on-premise license, the Company has developed its strength of products and services to its Customers under our strategy stated above.

Regarding our License business, the market is showing a recovery trend in IT investment which is not only for cost reduction but developing and growing their business.

In terms of Partner business side, we are expanding our cooperative ties of alliance and keep on expansion our Cloud partnership, while creating new demands on SME market segment.

Concerning the Cloud services, we delivered some achieve results for Cloud Migration (from On-premise to Cloud services) which are mainly "Oracle Fusion Cloud ERP" to our install-based customers, and also it has been deployed to the new customers in variable industries for accelerating Cloud shifting.

Regarding "Oracle Cloud Infrastructure (OCI)", there is a lot of demands from customers putting a weight on performance, security and cost effectiveness that has led to the usage of our Tokyo and Osaka region data center are successfully increasing continuously with expansion its Cloud datacenter.

We have been authorized ISMAP (Information system Security Management and Assessment Program) for Government Cloud supplier with OCI, PaaS and Oracle Exadata Cloud@Customer.

Furthermore, our OCI is selected as Cloud service for government cloud development at the Digital Agency in FY2023 (until the end of March, 2023), and prospective benefits amid a push for government digitalization include an acceleration and increase in investment, larger projects, and further stimulation of demand over the mid-long term.

NetSuite for SME market remained brisk performance in adding new customers who adopted Cloud ERP.

Also we have been keeping the high renewal rate of license support contracts and the attach rate for the on-premise license.

[Hardware systems]

Revenue in the Hardware systems segment was 7,458 million yen, up 5.0% from the corresponding period of the previous fiscal year, Operating income was 299 million yen, decreasing 5.5%.

This segment consists of the Hardware systems product division which sells servers, storage, engineered systems and network devices, and provides operating systems and related software, and the Hardware systems support division which provides technical support for hardware products, maintenance and repair services and updated versions of related software including operating systems.



(Translation purposes only)

The Company released “Oracle Exadata Database Machine X9M” (upgraded version of X8M) combines Intel® Optane™ DC persistent memory in September 2021. The inquiry for this machine is strong and the impact on shipments has gradually eased because of shortage of the semiconductor chip worldwide, however we are continuously examining our business status.

Exadata X9M removes storage bottlenecks and dramatically increase performance for the most demanding workloads such as Online Transaction Processing (OLTP), analytics, IoT, fraud detection, and high frequency trading.

[Services]

Revenue in the Services segment was 11,009 million yen, up 2.4% from the corresponding period of the previous fiscal year, Operating income was 2,352 million yen, down 4.2%.

This segment consists of Consulting Services, which support the introduction of products of the Company and Advanced Customer Support Services, which provide a preventive maintenance service and a comprehensive operation management service for customers' IT environments.

The number of composite projects from Consulting Services taking advantage of the Company's comprehensive product and service portfolio has increased steadily. They include projects for platform transition from the on-premise environment to the IaaS and PaaS environment and those for linkage with SaaS solutions such as the ERP cloud.

<Revenue breakdown by business segments>

Item	FY2022 2nd Quarter		FY2023 2nd Quarter			May 2022	
	Amount	Comp.	Amount	Comp.	YoY	Amount	Comp.
	Million Yen	%	Million Yen	%	%	Million Yen	%
Cloud license & on-premise license	18,025	17.7	19,464	18.1	8.0	44,975	20.9
Cloud services & license support	66,201	64.8	69,864	64.8	5.5	132,636	61.8
Cloud & License	84,227	82.5	89,328	82.9	6.1	177,612	82.7
Hardware systems	7,101	7.0	7,458	6.9	5.0	15,429	7.2
Services	10,756	10.5	11,009	10.2	2.4	21,649	10.1
Total	102,084	100.0	107,796	100.0	5.6	214,691	100.0

\*Amount is rounded down. Composition ratio and year-to-year comparison (% of change YoY) are rounded off.

(iii) Operating income

Operating income came to 34,707 million yen (up 1.8% from the same period a year earlier), due to the increase in sales in the Cloud & License segment (up 6.1% from the same period a year earlier).

Cost of sales came to 56,417 million yen (up 7.7% from the same period a year earlier). Royalties and outsourcing expenses in the Cloud & License segment rose, and also, purchases in the Hardware systems segment rose.

Regarding selling, general and administrative expenses, as the result of increasing outsourcing expenses and human resources, it came to 16,671 million yen (up 6.7% from the same period a year earlier).

(IV) Non-operating profit and loss, ordinary income

As a result of appropriating non-operating profit and loss of 126 million yen (net), our ordinary income stood at 34,834 million yen (up 1.9% from the same period a year earlier).

(V) Net income

As a result of posting extraordinary income of “Gain on reversal of subscription rights to shares” (14 million yen), and income taxes (10,689 million yen), our current net income stood at 24,158 million yen (up 2.0% from the same period a year earlier).

(2) Analysis of financial position

(Assets)

Current assets at the end of the second quarter of the current fiscal year were 83,358 million yen (decreasing 1,441 million yen from the end of the previous fiscal year). Noncurrent assets of the Company at the end of the term stood at 151,442 million yen (decreasing 626 million yen from the previous fiscal year end).

(Translation purposes only)

(Liabilities)

Total liabilities at the end of the term decreased 6,881 million yen from the end of the previous fiscal year, to 104,631 million yen. This was mainly due to a decrease in contract liabilities (5,829 million yen).

(Net assets)

Total net assets at the end of the term increased 4,813 million yen, to 130,168 million yen. This was primarily attributable to increases in both capital stock and capital surplus (26 million yen) due to the exercise of stock options, and as a result of the posting of net income (24,158 million yen) and the payment of dividends (20,518 million yen). Consequently, the ratio of shareholders' equity stood at 55.4% (an increase of 2.5 percentage points from the end of the previous fiscal year).

### (3) Analysis of cash flows

The cash inflow from operating activities is 24,463 million yen and the cash outflow from investment activities is 379 million yen in the six months ended November 30, 2022. The cash outflow from financial activities is 20,477 million yen in the six months ended November 30, 2022. In total, cash and equivalents at the end of the second quarter of the current fiscal year increased 3,645 million yen from the end of the previous term, to 63,788 million yen.

(Cash flows from operating activities)

Cash generated from operating activities was 24,463 million yen (increasing 5,363 million yen year on year). The inflow is attributable to the posting of income before income taxes of 34,848 million yen and a decrease in accounts receivable of 5,009 million yen. The outflow is attributable to a decrease in contract liabilities of 5,829 million yen, and the payment of 11,557 million yen in income taxes.

(Cash flows from investment activities)

Cash used for investment activities was 379 million yen (generated 99,895 million yen in the previous fiscal year). This was mainly due to the payment of purchase of property, plant and equipment.

(Cash flows from financial activities)

Cash used for financial activities was 20,477 million yen (decreasing 126,351 million yen year on year). The outflow was primarily appropriated to the payment of dividends.

### (4) Business and Financial Tasks to be addressed

There was no significant change in the task to be addressed by the Company during the cumulative second quarter under review.

### (5) Research and development activities

There was no significant change in the task to be addressed by the Company during the cumulative second quarter under review.

### (6) Analysis about capital resources and liquidity of funds

There were no material changes in the "information about capital resources and liquidity of funds" stated in the Annual Securities Report for the 37th business term filed on August 24, 2022.

## 3. 【Important Agreements for Business, etc.】

For this second quarter (six months), there is no change in Important Agreements for Business, etc.

(Translation purposes only)

### III 【Status of Submitting Company】

#### 1. 【Status of stocks, etc.】

##### (1) 【Number of shares, etc.】

##### (i) 【Number of shares】

Type	Number of shares authorized to issue(stocks)
Common Stock	511,584,909
Total	511,584,909

##### (ii) 【Number of outstanding shares】

Type	Number of outstanding shares as of the end of the second quarter (Shares) (November 30, 2022)	Number of outstanding shares on reporting date (shares) (Note) 1 (January 10, 2023)	Name of financial instruments exchange or name of registered authorized financial instruments firms association	Details
Common Stock	128,267,571	128,268,171	Tokyo Stock Exchange Standard	(Note) 2
Total	128,267,571	128,268,171	-	-

(Note) 1. “Number of outstanding shares on reporting date” does not include the number of shares issued by the exercise of share warrants from January 1, 2023 to the date of submission of this Securities Report.

2. The Company’s standard stock whose rights are not subject to any restrictions. Share unit is 100 shares.

#### (2) 【Status of share warrants, etc.】

##### (i) 【Details of Stock Option System】

Not applicable

##### (ii) 【Status of other share warrants】

Not applicable.

#### (3) 【Status of exercising certificates of bonds with share warrants with exercise price revision clause, etc.】

Not applicable.

#### (4) 【Trends with number of outstanding shares, capital, etc.】

Date	Number of outstanding shares increase/decrease (shares)	Number of outstanding shares balance (shares)	Capital stock increase/decrease (million yen)	Capital stock balance (million yen)	Legal capital surplus Increase/decrease (million yen)	Legal capital surplus balance (million yen)
From September 1, 2022 to November 30, 2022 (Note)	4,700	128,267,571	11	25,094	11	8,445

(Note) 1. Increase due to the exercise of share warrants.

2. The Company’s capital stock and legal capital surplus increased by 1 million yen respectively and 600 shares increased due to the exercise of share warrants (from December 1, 2022 to December 31, 2022).

(Translation purposes only)

(5) 【Status of major shareholders】

As of November 30, 2022

Name	Address	Number of shares held (1000 shares)	Percentage of shares held versus total number of outstanding shares (excluding treasury stocks)
ORACLE JAPAN HOLDING, INC. (Standing proxy SMBC NIKKO SECURITIES INC.)	500 Oracle Parkway, Redwood Shores, California 94065 U.S.A (1-5-1 Marunouchi, Chiyoda-ku, Tokyo)	94,967	74.0
The Master Trust Bank of Japan, Ltd. (Trust account)	2-11-3 Hamamatsu-cho, Minato-ku, Tokyo	5,721	4.5
Custody Bank of Japan, Ltd. (Trust account)	1-8-12 Harumi, Chuo-ku, Tokyo	1,335	1.0
STATE STREET BANK AND TRUST COMPANY 505223	P.O.BOX351 BOSTON MASSACHUSETTS 02101 U.S.A. (2-15-1 Konan, Minato-ku, Tokyo)	1,081	0.8
STATE STREET BANK AND TRUST COMPANY 505025	P.O.BOX351 BOSTON MASSACHUSETTS 02101 U.S.A. (2-15-1 Konan, Minato-ku, Tokyo)	1,060	0.8
STATE STREET BANK AND TRUST COMPANY 505001	P.O.BOX351 BOSTON MASSACHUSETTS 02101 U.S.A. (2-15-1 Konan, Minato-ku, Tokyo)	990	0.8
STATE STREET BANK WEST CLIENT - TREATY 505234	1776 HERITAGE DRIVE, NORTH QUINCY, MA 02171, U.S.A. (2-15-1 Konan, Minato-ku, Tokyo)	851	0.7
STATE STREET BANK AND TRUST COMPANY FOR STATE STREET BANK INTERNATIONAL GMBH, LUXEMBOURG BRANCH ON BEHALF OF ITS CLIENTS: CLIENT OMNI OM25	P.O.BOX 351 BOSTON MASSACHUSETTS 02101 U.S.A. (3-11-1 Nihonbashi, Chuo-ku, Tokyo)	828	0.6
STATE STREET BANK AND TRUST COMPANY 505103	P.O.BOX 351 BOSTON MASSACHUSETTS 02101 U.S.A. (2-15-1 Konan, Minato-ku, Tokyo)	650	0.5
SSBTC CLIENT OMNIBUS ACCOUNT	ONE LINCOLN STREET, BOSTON MA USA 02111 (3-11-1 Nihonbashi, Chuo-ku, Tokyo)	568	0.4
Total	-	108,055	84.3

(Note) Of the total, shares under trust services are as follows;

The Master Trust Bank of Japan, Ltd.	5,622 (1,000 shares)
Custody Bank of Japan, Ltd.	1,296 (1,000 shares)

(Translation purposes only)

(6) 【Status of voting rights】

(i) 【Number of outstanding shares】

As of November 30, 2022

Item	No. of shares(shares)	No. of voting rights (Units)	Details
Nonvoting stock	-	-	-
Stock with restricted voting right (Treasury stock, etc.)	-	-	-
Stock with restricted voting right (Others)	-	-	-
Stocks with full voting rights (Treasury stock, etc.)	(Own shares) Common stock 13,200	-	-
Stocks with full voting rights (Others)	Common stock 128,028,300	1,280,283	-
Share less than one unit	Common stock 226,071	-	-
Number of outstanding shares	128,267,571	-	-
Voting rights of shareholders	-	1,280,283	-

(Note) "Stocks with full voting rights (Others)" include 1,900 stocks in the name of Japan Securities Depository Center (19 stocks with voting rights), 14,000 company stocks held by the ESOP Trust.

(ii) 【Treasury stock, etc.】

As of November 30, 2022

Name of owner	Addresses of owner	No. of shares held in own name(shares)	No. of shares held in another name (shares)	No. of shares held (shares)	Percentage of shares held versus total number of outstanding shares (%)
(Own shares) Oracle Corporation Japan	2-5-8 Kita-Aoyama, Minato-ku, Tokyo	13,200	-	13,200	0.0
Total	-	13,200	-	13,200	0.0

(Note) The trust properties of the Employee Stock Ownership Plan (ESOP) Trust, which are the 14,000 stocks held by The Master Trust Bank of Japan (2-11-3, Hamamatsu-cho, Minato-ku, Tokyo) are not included in the above treasury stock, etc.

2. 【Status of Directors】

There is no changes of Directors for this term from the filing of the securities report for the previous fiscal year.

(Translation purposes only)

#### IV 【Financial Status】

##### 1 Method of preparing Quarterly Financial Statements

The quarterly financial statements of the Company are prepared in accordance with the “Ordinance on the Terminology, Forms, and Preparation Methods of Quarterly Financial Statements” (Cabinet Office Ordinance No. 63 of 2007).

##### 2 Audit Certification

The quarterly financial statements for the second quarter of the fiscal year ending November 30, 2022 (from September 1, 2022 to November 30, 2022) and for the six months ended November 30, 2022 (from June 1, 2022 to November 30, 2022) were reviewed by Ernst & Young ShinNihon LLC, in accordance with Article 193-2, paragraph 1 of the Financial Instruments and Exchange Act.

##### 3 Consolidated financial statements

The Company does not prepare consolidated financial statements as we have no subsidiaries.

(Translation purposes only)

1 【Quarterly Financial Statements】

(1) Quarterly Balance Sheet

(Unit : Million yen)

Description	Previous term end (as of May 31, 2022)	Current term end (as of November 30, 2022)
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	60,142	63,788
Accounts receivable-trade	20,784	15,775
Other	3,892	3,814
Allowance for doubtful accounts	-20	-20
<b>Total current assets</b>	<b>84,800</b>	<b>83,358</b>
<b>Noncurrent assets</b>		
Property, plant and equipment		
Buildings, net	8,628	8,203
Land	26,057	26,057
Other, net	1,111	1,046
Total property, plant and equipment	35,796	35,306
Intangible assets	1	0
Investments and other assets		
Long-term loans receivable from subsidiaries and associates	110,000	110,000
Other	6,270	6,134
Total investments and other assets	116,270	116,134
<b>Total noncurrent assets</b>	<b>152,068</b>	<b>151,442</b>
<b>Total assets</b>	<b>236,868</b>	<b>234,800</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable-trade	8,918	10,303
Accounts payable-other	4,672	3,870
Income taxes payable	12,313	11,311
Contract liabilities	80,047	74,218
Provision for bonuses	1,953	1,394
Other Provision	814	307
Other	2,792	3,225
<b>Total current liabilities</b>	<b>111,512</b>	<b>104,630</b>
<b>Noncurrent liabilities</b>		
Other	0	0
<b>Total noncurrent liabilities</b>	<b>0</b>	<b>0</b>
<b>Total liabilities</b>	<b>111,513</b>	<b>104,631</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	25,067	25,094
Capital surplus	8,418	8,445
Retained earnings	93,156	96,796
Treasury stock	-1,399	-258
<b>Total shareholders' equity</b>	<b>125,243</b>	<b>130,078</b>
Subscription rights to shares	111	90
<b>Total net assets</b>	<b>125,355</b>	<b>130,168</b>
<b>Total liabilities and net assets</b>	<b>236,868</b>	<b>234,800</b>

(Translation purposes only)

(2) Quarterly Statement of Income  
Cumulative second quarter

(Unit : Million yen)

Description	Previous term (From June 1, 2021 to November 30, 2021)	Current term (From June 1, 2022 to November 30, 2022 )
<b>Net sales</b>	<b>102,084</b>	<b>107,796</b>
Cost of sales	52,385	56,417
<b>Gross Profit</b>	<b>49,699</b>	<b>51,378</b>
Selling, general and administrative expenses	※ 15,620	※ 16,671
<b>Operating income</b>	<b>34,079</b>	<b>34,707</b>
Non-operating income		
Interest income	9	48
Foreign exchange gains	81	57
Others	16	24
Total Non-Operating Income	107	130
Non-Operating expenses		
Others	8	3
Total Non-Operating expenses	8	3
<b>Ordinary Income</b>	<b>34,177</b>	<b>34,834</b>
Extraordinary Income		
Gain on reversal of subscription rights to shares	5	14
Total Extraordinary Income	5	14
<b>Income before income taxes</b>	<b>34,182</b>	<b>34,848</b>
Income taxes	10,497	10,689
<b>Net Income</b>	<b>23,685</b>	<b>24,158</b>



(Translation purposes only)

(3) Quarterly Statement of Cash flows

(Unit : Million yen)

	Previous term (From June 1, 2021 to November 30, 2021)	Current term (From June 1, 2022 to November 30, 2022 )
Net cash provided by (used in) operating activities		
Income before income taxes	34,182	34,848
Depreciation and amortization	871	660
Share-based compensation expenses	6	2
Increase (decrease) in allowance for doubtful accounts	-84	-
Increase (decrease) in provision for bonuses	-1,161	-558
Increase (decrease) in other provision	-465	-507
Foreign exchange losses (gains)	-45	-39
Interest and dividends income	-16	-55
Loss (gain) on sales and retirement of noncurrent assets	6	0
Decrease (increase) in notes and accounts receivable-trade	6,520	5,009
Decrease (increase) in other current assets	4,554	136
Increase (decrease) in notes and accounts payable-trade	-953	1,384
Increase (decrease) in accounts payable-other	-682	-602
Increase (decrease) in contract liabilities	-9,993	-5,829
Increase (decrease) in other current liabilities	-1,476	335
Other, net	1,183	1,229
Subtotal	32,446	36,014
Interest and dividends income received	9	6
Income taxes paid	-13,355	-11,557
Net cash provided by (used in) operating activities	19,099	24,463
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	-117	-384
Proceeds from sales of property, plant and equipment	13	4
Purchase of intangible assets	-1	-0
Proceeds from loans receivable	100,000	-
Payments of guarantee deposits	-10	-0
Proceeds from refund of guarantee deposits	12	0
Net cash provided by (used in) investing activities	99,895	-379
Net cash provided by (used in) financing activities		
Proceeds from issuance of shares	35	45
Purchase of treasury stocks	-3	-4
Proceeds from sales of treasury stocks	0	0
Cash dividends paid	-146,861	-20,519
Net cash provided by (used in) financing activities	-146,829	-20,477
Effect of exchange rate change on cash and cash equivalents	45	39
Net Increase/(Decrease) in cash and cash equivalents	-27,787	3,645
Cash and cash equivalents at beginning of period	53,964	60,142
Cash and cash equivalents at end of period	※ 26,176	※ 63,788

(Translation purposes only)

## Notes to Quarterly Financial Statements

(Notes to Going Concern): Not Applicable

(Special accounting for preparing quarterly financial statements)

(Tax expense calculation)

Tax expenses on profit before income taxes for the six months under review are calculated by multiplying profit before income taxes for the six months under review by the reasonably estimated effective tax rate for the fiscal year including the second quarter under review after applying tax effect accounting.

Income taxes-deferred are included in income taxes.

(Additional Information)

(Accounting estimates for the impact of the spread of the new COVID-19 infection)

There has been no significant change in the assumptions and accounting estimates regarding the impact of the COVID-19 infection described in (Additional Information) of the Annual Securities Report for the previous fiscal year.

(Balance Sheet related)

Not Applicable

(Quarterly statement of Income related)

※Selling, general and administrative expenses account include the follows.

	Previous term end (From June 1, 2021 to November 30, 2021) (million yen)	Current term end (From June 1, 2022 to November 30, 2022) (million yen)
Salaries and bonuses	7,826	7,900
Provision for bonuses	389	728

(Quarterly statement of cash flows)

※Reconciliation of balance of “cash and cash equivalents at the end of period” and the amounts of items stated in the balance sheet is as follows.

	Previous term end (From June 1, 2021 to November 30, 2021) (million yen)	Current term end (From June 1, 2022 to November 30, 2022) (million yen)
Cash and deposits	26,176	63,788
Cash and cash equivalents	26,176	63,788

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

Previous term (from June 1, 2021 to November 30, 2021)

1 Amount of paid dividends

Resolution	Type of share	Total amount of dividend (Million yen)	Dividend per share (Yen)	Reference date	Effective date	Source of dividends
Board of director held on July 21, 2021	Common stock	146,949	1,146	May 31, 2021	August 4, 2021	Retained earning

(Note) 1. The above dividend per share includes a special dividend of 992 yen.

2. Total amount of dividend which was resolved at the board of directors meeting which was held on July 21, 2021 includes the 216 million yen dividend for the Company's stock held by the trusts (Board Incentive Plan Trust (3 million yen) and Employee Stock Ownership Plan Trust (213 million yen))

2 Dividends which the cutoff date was in the six months ended November 30, 2021 and the effective date of which is after the end of the second quarter of the fiscal year ended May 31, 2022.

Not Applicable

(Translation purposes only)

3 Significant changes in the amount of shareholders' equity

As a result of the payment on August 4, 2021 of the year-end dividend for the 36th term (1,146 yen per share, of which 154 yen is ordinary dividend and 992 yen is special dividend, dividends total is 146,949 million yen), which was resolved at the Board of Directors meeting held on July 21, 2021.

Current term (from June 1, 2022 to November 30, 2022)

1 Amount of paid dividends

Resolution	Type of share	Total amount of dividend (Million yen)	Dividend per share (Yen)	Reference date	Effective date	Source of dividends
Board of director held on July 22, 2022	Common stock	20,518	160	May 31, 2022	August 8, 2022	Retained earning

(Note) Total amount of dividend which was resolved at the board of directors meeting which was held on July 22, 2022 includes the 16 million yen dividend for the Company's stock held by the trusts (Board Incentive Plan Trust (0 million yen) and Employee Stock Ownership Plan Trust (16 million yen))

2 Dividends which the cutoff date was in the six months ended November 30, 2022 and the effective date of which is after the end of the second quarter of the fiscal year ended May 31, 2023.

Not Applicable

3 Significant changes in the amount of shareholders' equity

Not Applicable

(Equity in earnings (loss) of affiliated companies)

Not Applicable

(Translation purposes only)

(Segment Information)

**I. Previous second quarter under review (from June 1, 2021 to November 30, 2021)**

Segment sales and operating income (loss) by reportable segment

(Unit: Million Yen)

	Reportable operating segments				Adjustment (Note) 1	Amount on Statement of Income (Note) 2
	Cloud and license	Hardware Systems	Services	Total		
Sales						
External customers	84,227	7,101	10,756	102,084	-	102,084
Intersegment net sales or transfer	-	-	-	-	-	-
Total	84,227	7,101	10,756	102,084	-	102,084
Operating income (loss)	33,729	317	2,456	36,503	-2,423	34,079

(Notes): 1. Segment profit adjustment of minus 2,423 million yen is a Company-wide expense, which primarily relates to administration departments that do not belong to any reported segment.

2. Segment profits are adjusted in comparison with operating income in the statement of income.

**II. Current second quarter under review (from June 1, 2022 to November 30, 2022)**

Segment sales and operating income (loss) by reportable segment

(Unit: Million Yen)

	Reportable operating segments				Adjustment (Note) 1	Amount on Statement of Income (Note) 2
	Cloud and license	Hardware Systems	Services	Total		
Sales						
External customers	89,328	7,458	11,009	107,796	-	107,796
Intersegment net sales or transfer	-	-	-	-	-	-
Total	89,328	7,458	11,009	107,796	-	107,796
Operating income (loss)	34,515	299	2,352	37,167	-2,460	34,707

(Notes): 1. Segment profit adjustment of minus 2,460 million yen is a Company-wide expense, which primarily relates to administration departments that do not belong to any reported segment.

2. Segment profits are adjusted in comparison with operating income in the statement of income.

(Translation purposes only)

(Revenue Recognition, etc.)

(Disaggregation of revenues)

The Company disaggregates revenue based on the classification of reportable segments in the segment information, and further breaks down revenue for the Cloud & License segment based on the classification of goods and services.

(Unit : Million Yen)

	Previous term end (From June 1, 2021 to November 30, 2021)	Current term end (From June 1, 2022 to November 30, 2022)
Cloud & License		
Cloud license & on-premise license	18,025	19,464
Cloud services and license support	66,201	69,864
Total	84,227	89,328
Hardware Systems	7,101	7,458
Services	10,756	11,009
Revenue from contracts with customers	102,084	107,796
Other revenue	-	-
Sales to external customers	102,084	107,796

(Translation purposes only)

(Per Share Data)

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

	Previous term end (From June 1, 2021 to November 30, 2021)	Current term end (From June 1, 2022 to November 30, 2022)
(1) Net income per share (yen)	184.94	188.49
(Basis for calculation)		
Net income (millions of yen)	23,685	24,158
Amounts not attributable to owners of common stock (millions of yen)	—	—
Net income attributable to common stock (millions of yen)	23,685	24,158
Average number of shares during the term (thousand shares)	128,068	128,169
(2) Diluted net income per share (yen)	184.88	188.45
(Basis for calculation)		
Adjustment to net income (millions of yen)	—	—
Increase in common stock (thousand shares)	46	24
(Subscription right (thousand shares))	(46)	(24)
Details of shares not included in calculation of diluted net income per share due to non-dilative effect	—	—

(Note) Posted as treasury stock included in shareholders' equity, the treasury shares which remain in the BIP trust and the ESOP trust are included in the treasury stock to be deducted in the calculation of the number of average shares outstanding during the term in order to calculate the net income per share and net income per share (diluted). The average number of treasury shares during the term deducted in the calculation of net income per share and net income per share (diluted) were, specifically, 3,356 treasury shares owned by the BIP trust and 162,480 treasury shares owned by the ESOP trust for the second quarter of the previous fiscal year, 2,441 treasury shares owned by the BIP trust and 77,066 treasury shares owned by the ESOP trust for the second quarter of this fiscal year.

(Translation purposes only)

(Significant subsequent events)

1. Extension of BIP Trust period and additional contribution to the BIP Trust

On December 23, 2022, the Company extended the Directors' and Executive Officers' Compensation BIP (Board Incentive Plan) Trust (hereinafter the "BIP Trust") period and entrusted additional money to the BIP Trust..

(1) Reason for extending trust period and making additional contribution

The Company has introduced the BIP Trust since December 2014, and decided to extend the trust period by 2 years in order to continue the BIP Trust (which was scheduled to be expired by the end of February 2023) and to make an additional contribution of money to secure funds in the Trust for acquisition of the corporation's shares because the Company will continuously provide the Company's shares to the directors and executive officers as compensation.

(2) Outline of the Trust

(i) Type of trust	Monetary trust other than an individually operated designated money trust (third-party benefit trust)
(ii) Purpose of trust	Provide Directors and Executive Officers covered by the Plan with incentives
(iii) Trustor	The Company
(iv) Trustee	Mitsubishi UFJ Trust and Banking Corporation (Joint trustee: The Master Trust Bank of Japan, Ltd.)
(v) Beneficiary	Directors and Executive Officers who meet beneficiary requirements
(vi) Date of trust period extension agreement	December 23, 2022
(vii) Trust Period:	From March 1, 2023 to the end of February, 2025
(viii) Total amount of additional trust	163,170,000 yen
(ix) Number of shares to be acquired	19,400 shares
(x) Stock acquisition period	From December 26, 2022 to December 27, 2022
(xi) Stock acquisition method	Acquire on stock market

(Note)When extending the Plan, an agreement regarding the extension has been concluded between the Company, the trustees, and the trust administrator. After executing the letter of intent, additional trust has been made within the upper limit of the funds for acquisition of the Company's shares and within the upper limit of the number of the Company's shares which were approved by the Compensation Committee.

2. Extension of ESOP Trust period and additional contribution to the ESOP Trust

On December 23, 2022, the Company extended the Employees' Compensation ESOP (Employee Stock Ownership Plan) Trust (hereinafter the "ESOP Trust") period and entrusted additional money to the ESOP Trust.

(1) Reason for extending trust period and making additional contribution

The Company has introduced the ESOP Trust since December 2014, and decided to extend the trust period by 2 years in order to continue the ESOP Trust (which was scheduled to be expired by the end of February 2023) and to make an additional contribution of money to secure funds in the Trust for acquisition of the corporation's shares because the Company will continuously provide the Company's shares to the employees as compensation.

(Translation purposes only)

(2) Outline of the Trust

(i) Type of trust	Monetary trust other than an individually operated designated money trust (third-party benefit trust)
(ii) Purpose of trust	Provide Employees covered by the Plan with incentives
(iii) Trustor	The Company
(iv) Trustee	Mitsubishi UFJ Trust and Banking Corporation (Joint trustee: The Master Trust Bank of Japan, Ltd.)
(v) Beneficiary	Employees who meet beneficiary requirements
(vi) Date of trust period extension agreement	December 23, 2022
(vii) Trust Period:	From March 1, 2023 to the end of February, 2025
(viii) Total amount of additional trust	1,950,810,000 yen
(ix) Number of shares to be acquired	241,000 shares (Schedule)
(x) Stock acquisition period	From December 26, 2022 to January 31, 2023 (Schedule)
(xi) Stock acquisition method	Acquire on stock market

(Note)When extending the Plan, an agreement regarding the extension has been concluded between the Company, the trustees, and the trust administrator. After executing the letter of intent, additional trust has been made.

2. 【Others】

Not applicable



(Translation purposes only)

Part 2 **【Information on Guarantor Companies, etc. for Submitting Company】**

Not applicable

(Translation purposes only)

## **Translation**

Following is an English translation of the Independent Auditor's Review Report filed under the Financial Instruments and Exchange Act of Japan. This report is presented merely as supplemental information.

### Independent Auditor's Review report

January 10, 2023

Oracle Corporation Japan  
The board of Directors

**Ernst & Young ShinNihon LLC**  
Tokyo Office

Designated and Engagement Partner  
Hisafumi Nomoto, Certified Public Accountant

Designated and Engagement Partner  
Atsuko Tanabe, Certified Public Accountant

#### <Auditor's conclusion>

Pursuant to the provisions of Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act, we have conducted a quarterly review of the quarterly financial statements of Oracle Corporation Japan listed in the "Status of Accounting" for the second quarter of 38th term commencing on June 1, 2022, and ending on May 31, 2023 (from September 1, 2022 to November 30, 2022) and the cumulative second quarter (from June 1, 2022 to November 30, 2022), which comprise the balance sheet, income statement, cash flows and notes.

In our quarterly review, no matter has come to our attention that causes us to believe that the above quarterly financial statements do not fairly present, in any material respect, the financial condition of Oracle Corporation Japan as of November 30, 2022 and the results of its operations and the status cash flows in the cumulative second quarter ended November 30, 2022 in accordance with the standards for preparation of quarterly financial statements generally accepted in Japan.

#### <Basis for the auditor's conclusion>

We conducted a quarterly review in accordance with the quarterly review standards generally accepted in Japan. Our responsibility under the quarterly review standards is described in "Responsibilities of Auditor in Quarterly Review of Quarterly Financial Statements". We are independent of the company and fulfill our other ethical responsibilities as an auditor in accordance with the provisions of professional ethics in Japan. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### <Responsibilities of management and audit committee for the quarterly financial statements>

Management is responsible for the preparation and fair presentation of the quarterly financial statements in accordance with the accounting standards generally accepted in Japan. This responsibility includes development and operation of such internal control as management determines necessary to enable the preparation and fair presentation of the quarterly financial statements that is free from material misstatement, whether due to fraud or error.

In preparing the quarterly financial statements, the management evaluates whether it is appropriate to prepare the quarterly financial statements based on the premise of a going concern, and uses the criteria for preparing the quarterly financial statements generally accepted in Japan. If it is necessary to disclose matters concerning a going concern based on this, it is responsible for disclosing such matters.

The responsibility of the audit committee is to monitor the execution of duties by the executive officers and the directors in the development and operation of the financial reporting process.

(Translation purposes only)

<Responsibilities of Auditor in Quarterly Review of Quarterly Financial Statements>

The auditor's responsibility is to express conclusions on the quarterly financial statements from an independent standpoint in the quarterly review report, based on the quarterly review conducted by the auditor.

The auditor will make professional judgments throughout the quarterly review process in accordance with the quarterly review standards generally accepted in Japan, and will carry out the following with professional skepticism.

- Conduct questions, analytical procedures and other quarterly review procedures mainly for management, persons responsible for financial and accounting matters, etc. The quarterly review procedure is a more limited procedure than the audit of financial statements for the fiscal year conducted in accordance with auditing standards generally accepted in Japan.
- If we determine that there is material uncertainty regarding an event or situation that raises material doubts regarding the going concern assumption, we conclude whether there are no items to believe that it is not properly presented based on the evidence obtained in the quarterly financial statements in accordance with the standards for preparing quarterly financial statements that are generally accepted in Japan. In addition, if significant uncertainties regarding the going concern assumption are found, the quarterly financial statement notes may be noted in the quarterly review report. Or, if the notes in the quarterly financial statements regarding material uncertainties are not appropriate, it is required to express limited or negative conclusions in the quarterly financial statements. The auditor's conclusions are based on evidence obtained by the quarterly review report date, but future events and circumstances may prevent the company from surviving as a going concern.
- Evaluate whether there are no items to believe that the presentation and notes of the quarterly financial statements do not comply with the standards for preparing quarterly financial statements that are generally accepted in Japan. Also, evaluate whether there are no items to believe that the presentation, composition, content of the quarterly financial statements, including relevant notes, and the quarterly financial statements do not properly represent the underlying transactions or accounting events.

The auditor reports to the audit committee on the scope and timing of the planned quarterly review and important findings in the quarterly review.

The auditor reports to the audit committee on compliance with Japan's professional ethics regulations regarding independence, matters that are reasonably considered to affect the independence of the auditor, and the content of safeguards, if any, taken in order to eliminate or reduce the obstacles.

<Interests>

There exists no special interests between the Company and this audit corporation or its engagement partners which is required to be stated pursuant to the provisions of the Certified Public Accountants Act.

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\* 1. The above is a digital version of the original of the audit report, and the original is kept separately by the company.

2. XBRL data is unaudited.

3. The original review report is in Japanese. This English translation is for readers' convenience and reading this translation is not a substitute for reading the original audit report in Japanese.

(Translation purposes only)

**【Title page】**

<b>【Submitted document】</b>	Confirmation document
<b>【Text used as grounds for document】</b>	Article 24-4-8 paragraph1 of the Financial Instruments and Exchange Act
<b>【For submission to】</b>	Kanto Finance Bureau
<b>【Date of submission】</b>	January 10, 2023
<b>【Company name】</b>	ORACLE CORPORATION JAPAN
<b>【Company name in English】</b>	ORACLE CORPORATION JAPAN
<b>【Name and title of representative】</b>	Hiroko Utsumi (Name on the family register : Hiroko Naka), Representative Corporate Executive Officer & Managing Counsel
<b>【Name of Chief Financial Officer】</b>	S. Krishna Kumar, Executive Officer, Chief Financial Officer
<b>【Current location of head office】</b>	2-5-8 Kita-Aoyama, Minato-ku, Tokyo
<b>【Location subjected to inspection】</b>	Tokyo Stock Exchange, Inc. (2-1 Kabuto-cho, Nihombashi, Chuo-ku, Tokyo)

(Translation purposes only)

1 **【Regarding the adequacy of the Securities Report】**

Hiroko Utsumi (Name on the family register : Hiroko Naka), Representative Corporate Executive Officer & Managing Counsel and S. Krishna Kumar, Executive Officer, CFO of the company, confirmed the adequacy of the 38th 2nd Quarter Securities Report based on Financial Instruments and Exchange Act (for the period from September 1, 2022 to November 30, 2022)

2 **【Special mention】**

Upon confirmation, there are no items needing of special mention.