

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

Flash Report for the 1st Quarter of Fiscal Year Ending May 31, 2026
[under Japanese GAAP] (Non-consolidated)

September 25, 2025



Company Name Oracle Corporation Japan Listed Stock Exchange: TSE Standard
 Ticker: 4716 URL: <http://www.oracle.com/jp/corporate/investor-relations/index.html>
 Representative & Contact Personnel Telephone: 03-6834-6666
 Representative Personnel Hiroko Utsumi, Representative Corporate Executive Officer & Managing Counsel
 Contact Personnel Yuki Nishio, Director, Investor Relations
 Schedule for dividends payment: -
 Preparation of supplementary materials on quarterly financial results: Yes
 Holding of quarterly 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, 2025 to August 31, 2025)

(1) Operating result

(% of change from previous year)

	Net Sales		Operating profit		Ordinary profit		Profit for the period	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
1st Quarter, May 2026	66,275	3.7	21,128	-4.8	21,369	-3.7	14,805	-3.7
1st Quarter, May 2025	63,915	11.4	22,194	20.2	22,193	19.4	15,374	19.4

	Basic earnings per share		Diluted earnings per share	
	Yen	Sen	Yen	Sen
1st Quarter, May 2026	115	65	115	64
1st Quarter, May 2025	119	99	119	98

(2) Financial Position

	Total Assets	Net Assets	Ratio of shareholders' equity
	Million Yen	Million Yen	%
1st Quarter, May 2026	297,616	154,147	51.8
FY ended May 2025	316,403	163,681	51.7

Shareholders' equity 1st Quarter, May 2026: 154,115 Million Yen (May 2025: 163,639 Million Yen)

2. Dividends

2. Dividends

	Dividend per share								
	1 st Quarter end		2 nd Quarter end		3 rd Quarter end		Fiscal Year End		Total
	Yen	Sen	Yen	Sen	Yen	Sen	Yen	Sen	Yen Sen
FY ended May 2025	-		0	00	-		190	00	190 00
FY ending May 2026	-								
FY ending May 2026 (Forecast)			-		-		-		-

(Note1) Revision of outlook for dividends in this quarter: No

(Note2) Year-end dividend for this fiscal year has yet to be determined.

3. Forecast for the May 2026 term (from June 1, 2025 to May 31, 2026)

(% of change from previous year)

	Net Sales	Basic Earnings per share
	%	Yen
Entire term	6.0~10.0	490.00~505.00

(Note1) Revision of forecast for May 2026 term in this quarter: No

(Note2) Company uses ranges of values for the forecast. Please refer to 1. Qualitative Information on Results in the Quarter under Review,

(3) Qualitative Information on Forecasts, on page 5.

(Note3) Estimation of effective tax rate is 30.7%

4. Other information

(1) Adoption of specified accounting methods for the preparation of quarterly non-consolidated financial statements: Yes

(2) Changes in accounting policies, procedures, presentation rules, etc

- (i) Changes in accounting policies due to revision of accounting standards: None
- (ii) Changes in accounting policies due to reasons other than (i): None
- (iii) Changes in accounting estimates: None
- (iv) Restatements: None

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

(i) The number of shares outstanding (inclusive of treasury stock)	1st Quarter, May 2026	128,310,971	shares
	FY ended May 2025	128,304,471	shares
(ii) The number of treasury stock	1st Quarter, May 2026	287,443	shares
	FY ended May 2025	287,443	shares
(iii) The number of average shares outstanding (cumulative, non-consolidated, year to date)	1st Quarter, May 2026	128,019,971	shares
	1st Quarter, May 2025	128,124,285	shares

(Note) The Company's stock held by Board Incentive Plan Trust and Employee Stock Ownership Plan Trust is included in the number of treasury stock.

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.

Caution1:

Review of the Japanese-language originals of the attached quarterly financial statements by certified public accountants or an audit firm: No

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 Qualitative information on Forecasts, on page 5.

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1. Qualitative Information on Results in the Quarter under Review

(1) Qualitative Information on Business Outcomes

Overview

During the first quarter under review (from June 1, 2025 to August 31, 2025, hereinafter “this quarter”), the Japanese information services industry in which the Company operates were experienced steady investment in migrating to the Cloud, with IT investment aimed at corporate growth and boosting competitiveness, improving efficiency through the use of variable digital data, building the IT environment to realize sustainable management of human capital and strengthening contact points with end users.

Under these circumstances, the Company has continued its value proposition for realizing Customers’ innovation, for their business transformation, and for supporting their firm growth through the use of new technologies, including a broad range of integrated cloud services and enterprise AI with the highest levels of security, performance, and efficiency.

As a result of these measures, the Company posted 66,275 million yen (up 3.7 % year on year) in net sales, 21,128 million yen (decreased 4.8 %) in operating profit, 21,369 million yen (decreased 3.7 %) in ordinary profit and 14,805 million yen (decreased 3.7 %) in profit for the period.

Go to Market Strategy

Mission Statement

The Company is aiming to 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, and unlock endless possibilities.

We have confidence that by continuing to improve our offerings and navigating the evolution of our customers, we will be a step towards guiding the world in the right direction, and ultimately contributing to society and humankind.

Our Strength

The Company is aiming to further business growth by supporting our customers’ cloud migration of their core systems and active data utilization with deepen customers’ trust.

We have practiced the modernization of own business process and digitalization by using own technology which brought business success to ourselves. By accelerating the deployment and implementation of our technology to our customers, we support their growth and business innovation.

The Company has a comprehensive product portfolio, which consists of platforms, applications, and hardware, that can be deployed on cloud and on-premise environments. Oracle Cloud, which is the core of the Company’s business, was developed based on the similar 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

Through the data-driven approaches, we will further accelerate the provision of not only cloud-based services to maximize the value of information but various types of services to support the use of such cloud services. In consequence, we will contribute to Japanese society.

Based on our thinking that it is essential to gaze at the modernization of legacy systems and future technological evolution in the Japanese market, we will develop into an entity that will innovate customers’ businesses by providing extensive and integrated cloud services, and making effective use of new technologies including generative AI for enterprises with top level security, performance and efficiency.

We set two policies for the key initiatives launched in FY24. One is to provide the Japan-focused cloud, and the other is to promote AI for customers.

In the current fiscal year (FY26) as the third year, we will continue to strengthen and enhance these initiatives to support the evolution of core systems of Japanese companies, aiming to create new value.

1. By using the Oracle Cloud Infrastructure (OCI) that we have cultivated to date, we will further expand the modernization of customers’ mission-critical systems and use of generative AI. We will strengthen our offerings, including GPUs environments that enable fast and low-cost creation of large-scale AI models, generative AI services and AI agent services that securely utilize customer data, and data platforms for AI.

2. By supporting the digitalization of local governments in Japan nationwide through the utilization of Oracle Cloud Infrastructure (OCI), which is certified as the Government Cloud, and their operational efficiency improvement with use of generative AI, we will contribute to the government cloud initiative that the Japanese government is promoting.
3. By providing “Oracle Alloy”, we will deploy first Sovereign Cloud provided by Japanese companies (our partners). We will accelerate the provision of a sovereign cloud and sovereign AI, which addresses geopolitical risks and economic security risks and fulfills the requirements of data sovereignty and operational sovereignty.
4. By always offering optimal solutions for the reform of IT cost structures and utilization of generative AI, while also providing the hybrid cloud environment featuring on-premises and the cloud, as well as multicloud environment with other hyperscalers, we will support customers in introducing cloud-based mission-critical systems.
5. By providing Cloud Applications with built-in AI, we support the transformation of customers’ life cycle cost structures, the enjoyment of continuously evolving AI technology, and the ability to respond to change. Customers will be able to use the value of the latest AI technology through quarterly version upgrades and the provision of a function for developing customers’ unique AI agents.
6. To implement the above measures, we will further strengthen the collaboration with our partners.

In addition, we will contribute to customers’ businesses through cross-functional collaboration and providing optimal Oracle solutions to customers in a range of industries.

(Glossary)

- Cloud services: 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 the Internet.
- On-premise: A form of IT system developed and operated as the company’s possession.
- GPU: A Graphics Processing Unit, which is an image processing unit that performs the computational processing necessary to depict images. With its high parallel computing capacity, it can instantly process huge amounts of data, making it suitable for big data processing, AI development, and other applications.

Business status in the 1st Quarter of the fiscal year (from June 1, 2025 to August 31, 2025)

[Cloud and Software]

In cloud and software, the Company has developed its strength of products and services to support its Customers under our strategy stated above.

Regarding cloud, we continued to focus on facilitating existing customers' upgrades to the Oracle Fusion Applications (a lift and shift from on-premises to the cloud) to further accelerate a shift to the cloud. We also worked proactively to acquire new customers.

Regarding "Oracle Cloud Infrastructure (OCI)", there is a lot of demands from customers who prioritize factors such as performance, security and cost-effectiveness. These demands have led to the usage of our Tokyo and Osaka region data centers. There are continuously effort to expand its Cloud data centers. We have been registered for the ISMAP (Information system Security Management and Assessment Program) as a Government Cloud supplier with OCI.

Furthermore, our OCI is selected as Cloud service for government cloud development at the Digital Agency, and prospective benefits amid a push for the Central and Local governments' digitalization include an acceleration and increase in investment, larger projects, and further stimulation of demand over the mid to long term.

The Company has a website that provides information on OCI for governments and local governments (in Japanese only). <https://www.oracle.com/jp/cloud/government/>
NetSuite for SME market remained brisk performance in adding new customers who adopted Cloud ERP.

In our software license business, there is a vigorous demand for to break away from legacy systems and move toward to standardize and open systems. In addition, IT investment remains strong, not only cost reduction, but also renewing flexible IT infrastructure for digital innovation and growing their business. In terms of Partner business side, we are expanding our cooperative ties of alliance and keep on expanding our Cloud partnerships, while creating new demands on SME market segment. There was a decrease due to the reversal of the rush demand that occurred prior to the price change in the same period of the previous year.

Also, we have been keeping the high renewal rate for software support contracts and a strong attach rate for software license.

[Hardware]

In the Hardware segment, the Company released the latest generation of Oracle Exadata platform, "Oracle Exadata X11M" in January 2025.

Starting at the same price as the previous generation, Exadata X11M which is optimized for the latest generation AMD EPYC™ processors, delivers significant performance improvements across AI, analytics, and online transaction processing (OLTP). Combining intelligent power management with the ability to run mission-critical workloads faster and on fewer systems helps customers achieve their energy efficiency and sustainability goals.

Exadata 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.

Exadata X11M's performance increased across all workloads, with much faster vector search for AI, much faster IOPS and shorter latencies for transaction processing, and much faster data scans and query throughput for analytics.

[Services]

In the Services segment, the number of composite projects from Consulting Services, who takes advantage of the Company's comprehensive product and service portfolio, has increased steadily. Examples include projects for platform transition from the on-premise environment to the OCI (Oracle Cloud Infrastructure) environment and projects for linkage with Cloud Applications.

Net Sales breakdown by business segments (Year to Date)

Item		FY2025 1st Quarter		FY2026 1st Quarter			May 2025	
		Amount	Comp.	Amount	Comp.	YoY	Amount	Comp.
		Million Yen	%	Million Yen	%	%	Million Yen	%
	Cloud	13,915	21.8	19,097	28.8	37.2	61,962	23.5
	Software license	12,551	19.6	9,132	13.8	-27.2	48,630	18.5
	Software support	27,969	43.8	28,308	42.7	1.2	112,438	42.7
	Software	40,521	63.4	37,441	56.5	-7.6	161,068	61.1
	Cloud and software	54,437	85.2	56,539	85.3	3.9	223,030	84.6
	Hardware	3,610	5.6	3,463	5.2	-4.1	15,590	5.9
	Services	5,867	9.2	6,272	9.5	6.9	24,890	9.4
	Total	63,915	100.0	66,275	100.0	3.7	263,510	100.0

(Notes): 1. Amount is rounded down. Composition ratio and year-to-year comparison (% of change YoY) are rounded off.

2. Previously, the revenue arising from contracts with customers was presented by dividing the reporting segment “Cloud & License” into “Cloud Services & License Support” and “Cloud License & On-Premises License”. Furthermore, “Cloud Services & License Support” consisted of “Cloud Services” and “License Support”. Starting from the first quarter of the current fiscal year, we have decided to present the breakdown of revenues in alignment with changes in our performance management categories. Consequently, the revenue breakdown of the reportable segment “Cloud and software” is now presented as “Cloud” and “Software”. “Software” consists of “Software license” and “Software support”. The breakdown of revenue arising from contracts with customers for the first quarter of the previous fiscal period and the previous fiscal year is presented using the new classification method.

3. Effective from the first quarter of the current fiscal year, the name of the reportable segment previously designated as “Cloud & License” has been changed to “Cloud and software”, and the name of the reportable segment previously designated as “Hardware systems” has been changed to “Hardware”. This change involves only the renaming of the reportable segments and has no impact on the segment information.

Segment information for the first quarter of the previous fiscal year is also presented using the new names.

(2) Qualitative Information on Financial Situation

Current assets at the end of the first quarter of the current fiscal year were 184,503 million yen (decreased 19,357 million yen from the previous fiscal year end). Noncurrent assets at the end of the first quarter of the current fiscal year were 113,112 million yen (increased 570 million yen from the previous fiscal year end).

Liabilities at the end of the first quarter of the current fiscal year were 143,468 million yen (decreased 9,254 million yen from the previous fiscal year end). Net assets at the end of the first quarter of the current fiscal year were 154,147 million yen (decreased 9,533 million yen from the previous fiscal year end).

As a result, the ratio of shareholders' equity was 51.8 % (up 0.1 percentage points from the previous fiscal year end).

(3) Qualitative Information on Forecasts

There is no change from the forecast announced on June 27, 2025 for the fiscal year ending May 31, 2026.

2. Quarterly Financial Statements and Main Notes

(1) Quarterly Balance Sheet

(Unit : Million yen)

Description	Previous term end (as of May 31, 2025)	Current term end (as of August 31, 2025)
Assets		
Current assets		
Cash and deposits	66,616	52,477
Accounts receivable-trade	22,573	16,500
Short-term loans receivable from subsidiaries and associates	110,000	110,000
Other	4,690	5,545
Allowance for doubtful accounts	-20	-20
Total current assets	203,861	184,503
Noncurrent assets		
Property, plant and equipment		
Buildings, net	6,257	6,104
Land	26,057	26,057
Other, net	2,505	3,229
Total property, plant and equipment	34,820	35,391
Intangible assets	0	0
Investments and other assets		
Long-term loans receivable from subsidiaries and associates	72,000	72,000
Other	5,721	5,721
Total investments and other assets	77,721	77,721
Total noncurrent assets	112,542	113,112
Total assets	316,403	297,616
Liabilities		
Current liabilities		
Accounts payable-trade	13,386	12,649
Accounts payable-other	5,753	4,965
Income taxes payable	15,305	6,901
Contract liabilities	109,299	109,127
Provision for bonuses	1,910	1,142
Other Provision	1,294	1,715
Other	5,772	6,967
Total current liabilities	152,722	143,468
Total liabilities	152,722	143,468
Net assets		
Shareholders' equity		
Share capital	25,225	25,248
Capital surplus	8,576	8,599
Retained earnings	133,737	124,168
Treasury shares	-3,900	-3,900
Total shareholders' equity	163,639	154,115
Share acquisition rights	42	32
Total net assets	163,681	154,147
Total liabilities and net assets	316,403	297,616

(2) Quarterly Statement of Income

(Unit : Million yen)

Description	Previous term (From June 1, 2024 to August 31, 2024)	Current term (From June 1, 2025 to August 31, 2025)
Net sales	63,915	66,275
Cost of sales	33,500	36,666
Gross Profit	30,415	29,608
Selling, general and administrative expenses	8,220	8,480
Operating profit	22,194	21,128
Non-operating income		
Interest income	126	128
Foreign exchange gains	-	37
Other	7	76
Total Non-Operating Income	134	241
Non-Operating expenses		
Foreign exchange losses	135	-
Other	-	0
Total Non-Operating expenses	135	0
Ordinary profit	22,193	21,369
Extraordinary Income		
Gain on reversal of share acquisition rights	1	3
Total Extraordinary Income	1	3
Profit for the period before income tax	22,194	21,372
Income taxes	6,820	6,566
Profit for the period	15,374	14,805

(3) Notes to Quarterly Financial Statements
(Notes to Going Concern): Not Applicable

(Notes to significant changes in the stockholders' equity): Not Applicable

(Adoption of specified accounting methods for the preparation of Quarterly non-consolidated Financial statements)

The Company has adopted a method in which tax expenses are calculated by multiplying quarterly net income before tax by effective tax rates estimated in a reasonable way, after applying tax effect accounting to net income before tax for the fiscal year under review. Income taxes-deferred is stated including corporate tax.

(Segment Information, etc.)

【Segment Information】

I . Previous first quarter under review (from June 1, 2024 to August 31, 2024)

Segment sales and operating profit (loss) by reportable segment

(Unit: Million Yen)

	Reportable operating segments				Adjustments (Note) 1 (Note) 2	Amount on Statement of Income
	Cloud and software	Hardware	Services	Total		
Sales						
External customers	54,437	3,610	5,867	63,915	—	63,915
Intersegment net sales or transfer	—	—	—	—	—	—
Total	54,437	3,610	5,867	63,915	—	63,915
Operating profit (loss)	21,997	134	1,302	23,435	-1,241	22,194

(Notes): 1. Segment profit adjustments of minus 1,241 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 first quarter under review (from June 1, 2025 to August 31, 2025)

1. Segment sales and operating profit (loss) by reportable segment

(Unit: Million Yen)

	Reportable operating segments				Adjustments (Note) 1 (Note) 2	Amount on Statement of Income
	Cloud and software	Hardware	Services	Total		
Sales						
External customers	56,539	3,463	6,272	66,275	—	66,275
Intersegment net sales or transfer	—	—	—	—	—	—
Total	56,539	3,463	6,272	66,275	—	66,275
Operating profit (loss)	21,159	124	1,350	22,634	-1,505	21,128

(Notes): 1. Segment profit adjustments of minus 1,505 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.

2. Changes to reportable segments

(Change of segment name)

Effective from the first quarter of the current fiscal year, the name of the reportable segment previously designated as “Cloud & license” has been changed to “Cloud and software”, and the name of the reportable segment previously designated as “Hardware systems” has been changed to “Hardware”. This change involves only the renaming of the reportable segments and has no impact on the segment information.

Segment information for the first quarter of the previous fiscal year is also presented using the new names.

(Quarterly statement of cash flows)

The Company has not prepared a quarterly statement of cash flows for the three months ended August 31, 2025. Depreciation and amortization (including amortization related to intangible fixed assets) for the three months ended August 31, 2025 is as follows.

	Previous term end (From June 1, 2024 to August 31, 2024) (million yen)	Current term end (From June 1, 2025 to August 31, 2025) (million yen)
Depreciation and amortization	288	340