News Release

Contacts: Joelle Fitzgerald
Director, Investor Relations
Oracle Corporation
(650) 506-4073

Jim Finn
VP, Corporate Communications
Oracle Corporation
(650) 506-1691

ORACLE REPORTS Q3 EARNINGS PER SHARE OF $0.11 VS $0.09 LAST YEAR

Total Revenue Grew 2% and Net Income Grew 12%

Redwood Shores, Calif., March 18, 2003—[http://www.oracle.com/tellmemore/?1654018] Today, Oracle Corporation announced that third quarter net income increased 12% to $571 million or $0.11 per share, while revenue grew 2% to $2.31 billion. This compares to $2.25 billion in revenue, $508 million in net income, and $0.09 per share in Q3 last year. New software license revenues were down 4% to $755 million, while software license updates and product support revenues were up 16% to $1.00 billion. Services revenues were down 8% to $547 million. Third quarter operating margin was 34.5%, compared to 34.6% in last year's third quarter.

"Given the difficult global economy and the increasing uncertainty caused by the impending war in Iraq, we were pleased to see modest revenue and operating earnings growth in our fiscal third quarter. We also continued to generate strong operating cash flow which exceeded $2 billion for the first nine months," said Jeff Henley, Oracle Chief Financial Officer.

"A study by the consulting firm of Current Analysis, published in December 2002, confirmed that Oracle is much less expensive to purchase, implement and run than SAP," said Oracle CEO Larry Ellison. "These advantages allowed us to score several head-to-head wins against SAP in the quarter. "

Oracle is the world's largest enterprise software company. For more information about Oracle, including supplemental financial information, please call Investor Relations at (650) 506-4073 or visit Oracle on the web at **www.oracle.com/investor.**

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"Safe Harbor" Statement Under the Private Securities Litigation Reform Act of 1995: Information in this release relating to Oracle's future prospects which are "forward-looking statements" are subject to certain risks and uncertainties that could cause actual results to differ materially, including, but not necessarily limited to, the following: 1) Economic, political and market conditions could continue to adversely affect purchasing decisions for computer software and services throughout the world. The war on terrorism and the potential for war or other hostilities in other parts of the world add to the climate of uncertainty that could adversely affect revenues. Delays in closing of sales, reductions in size of individual sales without an offsetting increase in volume or delays in product delivery can cause quarterly revenues and income to fall significantly short of anticipated levels. (2) Management's ability to forecast revenues and control expenses, especially on a quarterly basis, continues to be a challenge. An unexpected decline in revenues without a corresponding and timely slowdown in expense growth could have a material adverse effect on results of operations (3) Oracle is introducing new or revised versions of its products and services, such as Oracle 9i Database, Oracle 9iAS Application Server, E-Business Suite, Oracle Collaboration Suite and Outsourcing; the market acceptance and contribution to Oracle's revenues of these new versions or products and services cannot be assured. (4) Oracle has made changes to its pricing model and sales organization, which could lead to a decline or delay in sales as its sales force and customers adjust to the new pricing policies and organizational changes. Intense competition in the various markets in which Oracle competes may also put pressure on Oracle to reduce prices on certain products. (5) The market for Oracle's products is intensely competitive and is characterized by rapid technological advances and frequent new product introductions. There can be no assurances that Oracle will continue to introduce new products and new versions of existing products that keep pace with technological developments, satisfy increasingly sophisticated customer requirements and achieve market acceptance. Oracle undertakes no obligation to update information contained in this release. For further information regarding risks and uncertainties associated with Oracle's business, please refer to the "Risk Factors" section of Oracle Corporation's SEC filings, including, but not limited to, its annual report on Form 10-K and quarterly reports on Form 10-Q, copies of which may be obtained by contacting Oracle Corporation's
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ORACLE CORPORATION

CONSOLIDATED STATEMENTS OF OPERATIONS
($ in thousands, except per share data)
(unaudited)

	Three Months Ended February 28,		Nine Months Ended February 28,	
	2003	2002	2003	2002
REVENUES				
New software licenses and other	$ 755,300	$ 789,578	$ 2,083,221	$ 2,340,334
Software license updates and product support	1,004,314	866,397	2,863,030	2,590,697
Services (1)	547,281	597,345	1,696,700	1,967,781
Total Revenues	2,306,895	2,253,320	6,642,951	6,898,812
OPERATING EXPENSES				
Sales and marketing	521,042	514,816	1,504,636	1,621,449
Software licenses updates and product support	120,059	112,696	354,417	345,931
Cost of services (1)	454,501	458,748	1,407,431	1,491,336
Research and development	300,756	283,231	882,166	794,014
General and administrative	114,643	105,090	325,350	301,621
Total Operating Expenses	1,511,001	1,474,581	4,474,000	4,554,351
OPERATING INCOME	795,894	778,739	2,168,951	2,344,461
Net investment losses related to equity securities (2)	(5,738)	(7,510)	(108,158)	(14,199)
Other income, net	39,148	10,271	90,274	82,175
INCOME BEFORE TAXES	829,304	781,500	2,151,067	2,412,437
Provision for income taxes	257,963	273,525	702,132	844,353
NET INCOME	$ 571,341	$ 507,975	$ 1,448,935	$ 1,568,084
EARNINGS PER SHARE				
Basic	$ 0.11	$ 0.09	$ 0.27	$ 0.28
Diluted	$ 0.11	$ 0.09	$ 0.27	$ 0.27
WEIGHTED SHARES OUTSTANDING				
Basic	5,258,667	5,492,297	5,322,118	5,533,493
Diluted	5,383,379	5,669,334	5,439,397	5,715,071

(1) On March 1, 2002, Oracle adopted Financial Accounting Standards Board Emerging Issues Task Force No. 01-14, *Income Statement Characterization of Reimbursements Received for 'Out-of-Pocket' Expenses Incurred*. EITF 01-14 requires reimbursements received for out-of-pocket expenses be reflected as revenues and to reclassify prior period financial statements to conform with the current period presentation. Prior to the adoption of EITF 01-14, reimbursable out-of-pocket expenses were reflected as net amounts in "Cost of services". Reimbursable out-of-pocket expenses reclassified as revenues in the three months ended February 28, 2002 were $23,977. Reimbursable out-of-pocket expenses reclassified as revenues in the nine months ended February 28, 2002 were $70,089.

(2) Net investment losses related to equity securities in the nine months ended February 28, 2003 of $108,158 include an $87,174 impairment charge related to Oracle's investment in Liberate Technologies. Excluding the effect of the Liberate Technologies impairment charge, the effective income tax rate and provision for income taxes would have been 33% and $737,002 and net income and fully diluted earnings per share would have been $1,501,239 and $0.28.

ORACLE CORPORATION

CONSOLIDATED STATEMENTS OF OPERATIONS DATA
(unaudited)

	Percentage of Revenues Three Months Ended February 28,		Percentage of Revenues Nine Months Ended February 28,		Percentage Change Three Months FY03 vs. Three Months FY02	Percentage Change Nine Months FY03 vs. Nine Months FY02
	2003	2002	2003	2002		
REVENUES						
New software licenses and other	33%	35%	31%	34%	(4%)	(11%)
Software license updates and product support	43%	38%	43%	38%	16%	11%
Services	24%	27%	26%	28%	(8%)	(14%)
Total Revenues	100%	100%	100%	100%	2%	(4%)
OPERATING EXPENSES						
Sales and marketing	23%	23%	23%	23%	1%	(7%)
Software license updates and product support	5%	5%	5%	5%	7%	2%
Cost of services	20%	20%	21%	22%	(1%)	(6%)
Research and development	13%	12%	13%	12%	6%	11%
General and administrative	5%	5%	5%	4%	9%	8%
Total Operating Expenses	66%	65%	67%	66%	2%	(2%)
OPERATING INCOME	34%	35%	33%	34%	2%	(7%)
Net investment losses related to equity securities	0%	0%	(2%)	0%	(24%)	662%
Other income, net	2%	0%	1%	1%	281%	10%
INCOME BEFORE TAXES	36%	35%	32%	35%	6%	(11%)
Provision for income taxes	11%	12%	10%	12%	(6%)	(17%)
NET INCOME	25%	23%	22%	23%	12%	(8%)

ORACLE CORPORATION

CONDENSED CONSOLIDATED BALANCE SHEETS
($ in thousands)

	February 28, 2003 (unaudited)		May 31, 2002
ASSETS			
Current Assets			
Cash and cash equivalents	$ 4,088,256		$ 3,095,109
Short-term investments	1,951,555		2,746,069
Trade receivables, net	1,421,594		2,034,996
Deferred tax assets	460,512		451,994
Other current assets	322,012	*	399,776
Total Current Assets	8,243,929		8,727,944
Long-term investments	224,000		405,883
Property, net	898,791		986,970
Deferred tax assets	224,260		233,359
Intangible and other assets	357,183	*	446,206
TOTAL ASSETS	$ 9,948,163		$ 10,800,362
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current Liabilities			
Current portion of long-term debt	$ 152,980	*	$ -
Accounts payable	222,694		227,393
Income taxes payable	928,427		1,091,293
Other current liabilities	1,289,685		1,399,660
Deferred revenues	1,225,230		1,241,471
Total Current Liabilities	3,819,016		3,959,817
Long-term debt	162,072	*	298,391
Deferred tax liabilities	174,555		204,073
Other long-term liabilities	208,251		220,791
Stockholders' equity	5,584,269		6,117,290
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 9,948,163		$ 10,800,362

* These items were revised after the initial release to reflect the reclassification of $150 million debt and related $3 million interest rate swap, which mature in February 2004, as current.

ORACLE CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
($ in thousands)
(unaudited)

	Nine Months Ended February 28,	
	2003	**2002**
Cash Flows From Operating Activities:		
Net income	$ 1,448,935	$ 1,568,084
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	192,848	193,657
Amortization of intangible assets	64,550	39,785
Net investment losses related to equity securities	108,158	14,199
Deferred income taxes	(18,642)	(27,537)
Changes in assets and liabilities:		
Decrease in trade receivables	665,019	789,416
(Increase) decrease in prepaid expenses and other assets	103,537	(152,978)
Decrease in accounts payable and other current liabilities	(182,456)	(337,115)
Increase (decrease) in income tax payable	(105,030)	254,854
Decrease in deferred revenues	(67,679)	(186,684)
Increase (decrease) in other long-term liabilities	(12,736)	2,517
Net cash provided by operating activities	2,196,504	2,158,198
Cash Flows From Investing Activities:		
Purchases of investments	(3,066,089)	(4,289,986)
Proceeds from sale of investments	4,064,182	3,257,540
Capital expenditures	(88,318)	(198,871)
Increase in other assets	(63,822)	(9,011)
Net cash provided by (used for) investing activities	845,953	(1,240,328)
Cash Flows From Financing Activities:		
Payments for repurchase of common stock	(2,196,098)	(2,051,176)
Proceeds from issuance of common stock	199,999	217,168
Settlement of forward contract	(166,260)	-
Payments under notes payable and long-term debt	-	(744)
Net cash used for financing activities	(2,162,359)	(1,834,752)
Effect of exchange rate changes on cash and cash equivalents	113,049	(73,093)
Net increase (decrease) in cash and cash equivalents	993,147	(989,975)
Cash and cash equivalents at beginning of period	3,095,109	4,449,166
Cash and cash equivalents at end of period	$ 4,088,256	$ 3,459,191