

# EXHIBIT L

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended May 31, 2007

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934

Commission file number: 000-51788

Oracle Corporation

(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)

54-2185193  
(I.R.S. employer  
identification no.)

500 Oracle Parkway  
Redwood City, California 94065  
(Address of principal executive offices, including zip code)

(650) 506-7000

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class  
Common Stock, par value \$0.01 per share  
Preferred Stock Purchase Rights

Name of Each Exchange on Which Registered  
The NASDAQ Stock Market LLC  
The NASDAQ Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act:  
None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. YES  NO

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. YES  NO

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES  NO

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act.

Large Accelerated filer

Accelerated filer

Non-accelerated filer

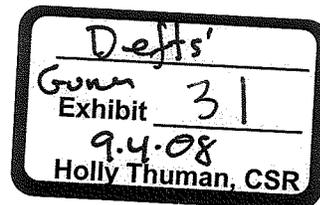
Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES  NO

The aggregate market value of the voting stock held by non-affiliates of the registrant was \$74,136,594,087 based on the number of shares held by non-affiliates of the registrant as of May 31, 2007, and based on the closing sale price of common stock as reported by the NASDAQ Global Select Market on November 30, 2006, which is the last business day of the registrant's most recently completed second fiscal quarter. This calculation does not reflect a determination that persons are affiliates for any other purposes.

Number of shares of common stock outstanding as of June 25, 2007: 5,113,035,975

Documents Incorporated by Reference:

Part III—Portions of the registrant's definitive proxy statement to be issued in conjunction with registrant's annual stockholders' meeting to be held on November 2, 2007.



## **Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations**

We are the world's largest enterprise software company. We are organized into two businesses, software and services, which are further divided into five operating segments. Each of these operating segments has unique characteristics and faces different opportunities and challenges. Although we report our actual results in United States dollars, we conduct a significant number of transactions in currencies other than United States dollars. Therefore, we present constant currency information to provide a framework for assessing how our underlying business performed excluding the effect of foreign currency rate fluctuations. An overview of our five operating segments follows.

### **Software Business**

Our software business is comprised of two operating segments: (1) new software license revenues and (2) software license updates and product support revenues. We expect that our software business revenues will continue to increase, which should allow us to improve margins and profits and continue to make investments in research and development.

***New Software Licenses:*** We license our database and middleware as well as our applications software to businesses of many sizes, government agencies, educational institutions and resellers. The growth in new software license revenues is affected by the strength of general economic and business conditions, governmental budgetary constraints, the competitive position of our software products and acquisitions. The new software license business is also characterized by long sales cycles. The timing of a few large software license transactions can substantially affect our quarterly new software license revenues. Since our new software license revenues in a particular quarter can be difficult to predict as a result of the timing of a few large software license transactions, we believe that analysis of new software revenues on a trailing 4-quarter period provides more visibility into the underlying fundamental performance of our software revenues than analysis of quarterly revenues. New software license revenues represented 33% of our total revenues in fiscal 2007. Our new software license margins have been affected by the amortization of intangible assets associated with companies we have acquired.

Competition in the software business is intense. Our goal is to maintain a first or second position in each of our software product categories and certain industry segments as well as to grow our software revenues faster than our competitors. We believe that the features and functionality of our software products are as strong as they have ever been. We have focused on lowering the total cost of ownership of our software products by improving integration, decreasing installation times, lowering administration costs and improving the ease of use. Reducing the total cost of ownership of our products provides our customers with a higher return on their investment, which we believe will create more demand for our products and services and provide us with a competitive advantage. We have also continued to focus on improving the overall quality of our software products and service levels. We believe this will lead to higher customer satisfaction and loyalty and help us achieve our goal of becoming our customers' leading technology advisor.

***Software License Updates and Product Support:*** Customers that purchase software license updates and product support are granted rights to unspecified product upgrades and maintenance releases issued during the support period, as well as technical support assistance. In fiscal 2007, we also introduced Oracle Unbreakable Linux Support, which provides enterprise level support for the Linux operating system. Substantially all of our customers renew their software license updates and product support contracts annually. The growth of software license updates and product support revenues is influenced by three factors: (1) the support contract base of companies acquired, (2) the renewal rate of the support contract base and (3) the amount of new support contracts sold in connection with the sale of new software licenses.

Software license updates and product support revenues, which represent approximately 46% of our total revenues in fiscal 2007, are our highest margin business unit. Support margins during fiscal 2007 were 90%, and accounted for 76% of our total margins over the same respective period. We believe that software license updates and product support revenues and margins will continue to grow for the following reasons:

- Acquisitions over the past three years have significantly increased our support contract base, as well as the portfolio of products available to be licensed.

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, on June 29, 2007.

### ORACLE CORPORATION

By: /s/ LAWRENCE J. ELLISON

Lawrence J. Ellison, Chief Executive  
Officer and Director

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the Registrant and in the capacities and on the date indicated.

<u>Name</u>	<u>Title</u>	<u>Date</u>
<u>/s/ LAWRENCE J. ELLISON</u> Lawrence J. Ellison	Chief Executive Officer and Director (Principal Executive Officer)	June 29, 2007
<u>/s/ SAFRA A. CATZ</u> Safra A. Catz	Chief Financial Officer and Director (Principal Financial Officer)	June 29, 2007
<u>/s/ WILLIAM COREY WEST</u> William Corey West	Vice President, Corporate Controller and Chief Accounting Officer (Principal Accounting Officer)	June 29, 2007
<u>/s/ JEFFREY O. HENLEY</u> Jeffrey O. Henley	Chairman of the Board of Directors	June 29, 2007
<u>/s/ JEFFREY BERG</u> Jeffrey Berg	Director	June 29, 2007
<u>/s/ H. RAYMOND BINGHAM</u> H. Raymond Bingham	Director	June 29, 2007
<u>/s/ MICHAEL J. BOSKIN</u> Michael J. Boskin	Director	June 29, 2007
<u>/s/ HECTOR GARCIA-MOLINA</u> Hector Garcia-Molina	Director	June 29, 2007
<u>/s/ JACK F. KEMP</u> Jack F. Kemp	Director	June 29, 2007
<u>/s/ DONALD L. LUCAS</u> Donald L. Lucas	Director	June 29, 2007
<u>/s/ CHARLES E. PHILLIPS, JR.</u> Charles E. Phillips, Jr.	Director	June 29, 2007
<u>/s/ NAOMI O. SELIGMAN</u> Naomi O. Seligman	Director	June 29, 2007

**ORACLE CORPORATION  
INDEX OF EXHIBITS**

<b>Exhibit No.</b>	<b>Exhibit Titles</b>
21.01	Subsidiaries of the Registrant
23.01	Consent of Ernst & Young LLP, Independent Registered Public Accounting Firm
31.01	Certification Pursuant to Section 302 of the Sarbanes-Oxley Act—Lawrence J. Ellison
31.02	Certification Pursuant to Section 302 of the Sarbanes-Oxley Act—Safra A. Catz
32.01	Certification Pursuant to Section 906 of the Sarbanes-Oxley Act