

EXHIBIT F

**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, 2005

OR

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

Commission file number: 0-14376

Oracle Corporation
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

94-2871189
(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:
None

Securities registered pursuant to Section 12(g) of the Act:
Common Stock, par value \$0.01 per share
Preferred Stock Purchase Rights
(Title of class)

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 an accelerated filer (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 \$50,087,101,000 based on the number of shares held by non-affiliates of the registrant as of May 31, 2005, and based on the reported last sale price of common stock on November 30, 2004, 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 24, 2005: 5,146,713,889

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 October 10, 2005.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
May 31, 2005

remained payable to PeopleSoft stockholders who had not submitted their shares. We have included the financial results of PeopleSoft in our consolidated financial statements beginning December 29, 2004 (Acquisition Date), the date we acquired a majority interest. The minority interest in the earnings of PeopleSoft for the period from December 29, 2004 to January 7, 2005 was nominal.

The Acquisition has been accounted for as a business combination. Assets acquired and liabilities assumed were recorded at their fair values as of December 29, 2004. The total purchase price is \$11.1 billion, and is comprised of:

	<u>(in millions)</u>
Cash paid or payable to acquire the outstanding common stock of PeopleSoft (399.1 million shares at \$26.50 per share)	\$ 10,576
Fair value of PeopleSoft stock options assumed	492
Acquisition related transaction costs	<u>12</u>
Total purchase price	<u>\$ 11,080</u>

The fair value of options assumed was determined using an average price of \$13.86, which represented the average closing price of our common stock from two trading days before to two trading days after the Agreement Date and was calculated using a Black-Scholes-Merton valuation model with the following assumptions as of the Acquisition Date: expected life from vest date ranging from 90 days to 1.31 years, risk-free interest rate of 2.5% - 3.4%, expected volatility of 32% and no dividend yield. In accordance with our Agreement and Plan of Merger, the number of Oracle options exchanged was determined by multiplying the number of PeopleSoft options outstanding at closing and the amount determined by dividing \$26.50 by the average closing price of our common stock for the 10 trading days preceding the Merger, which was \$13.52. Approximately 48 million of the 97 million PeopleSoft options outstanding were fully vested as of the Merger. The portion of the intrinsic value of unvested PeopleSoft options related to future service has been allocated to deferred stock-based compensation and is being amortized using the accelerated expense attribution method over the remaining vesting period, which averages 2.6 years.

Acquisition related transaction costs include investment banking, legal and accounting fees, and other external costs directly related to the Acquisition and Merger.

Preliminary Purchase Price Allocation

Under business combination accounting, the total purchase price was allocated to PeopleSoft's net tangible and identifiable intangible assets based on their estimated fair values as of December 29, 2004 as set forth below. The excess of the purchase price over the net tangible and identifiable intangible assets was recorded as goodwill. The preliminary allocation of the purchase price was based upon a valuation and our estimates and assumptions are subject to change. The primary areas of the purchase price allocation that are not yet finalized relate to restructuring costs, certain legal matters, income and non-income based taxes and residual goodwill. In addition, upon the finalization of the combined company's legal entity structure, additional adjustments to deferred taxes may be required.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
May 31, 2005

	<u>(in millions)</u>
Cash and marketable securities	\$ 2,200
Trade receivables	610
Other current assets	305
Property	377
Goodwill	6,487
Intangible assets	3,384
Other non-current assets	106
Accounts payable and accrued liabilities	(762)
Restructuring	(380)
Deferred revenues	(419)
Deferred tax liabilities, net	(947)
Other non-current liabilities	(37)
Deferred stock-based compensation	123
In-process research and development	33
Total purchase price	<u>\$ 11,080</u>

Intangible Assets

In performing our purchase price allocation, we considered, among other factors, our intention for future use of acquired assets, analyses of historical financial performance and estimates of future performance of PeopleSoft's products. The fair value of intangible assets was based, in part, on a valuation completed by Standard & Poor's Corporate Value Consulting using an income approach and estimates and assumptions provided by management. The rates utilized to discount net cash flows to their present values were based on our weighted average cost of capital and ranged from 10% to 20%. These discount rates were determined after consideration of our rate of return on debt capital and equity and the weighted average return on invested capital. The following table sets forth the components of intangible assets associated with the acquisition at May 31, 2005:

<u>(Dollars in millions)</u>	<u>Fair Value</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Useful Life</u>
Software support agreements and related relationships . . .	\$ 2,101	\$ (88)	\$ 2,013	10 years
Developed technology	614	(51)	563	5 years
Core technology	349	(29)	320	5 years
Customer relationships	250	(10)	240	10 years
Trademarks	70	(4)	66	7 years
Total intangible assets	<u>\$ 3,384</u>	<u>\$ (182)</u>	<u>\$ 3,202</u>	

Customer relationships and software support agreements and related relationships represent the underlying relationships and agreements with PeopleSoft's existing customers. Developed technology, which is comprised of products that have reached technological feasibility, includes products across most of PeopleSoft's product lines, principally the PeopleSoft Enterprise, JD Edwards Enterprise One and JD Edwards World products. Core technology represents a combination of PeopleSoft processes, patents, trade secrets and know-how related to the design and development of its applications products. Trademarks represent the estimated fair value of the PeopleSoft and JD Edwards trade names and trademarks. Intangible assets are being amortized using the straight-line method.

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 30, 2005.

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 30, 2005
<u>/s/ SAFRA A. CATZ</u> Safra A. Catz	Interim Chief Financial Officer and Director (Principal Financial Officer)	June 30, 2005
<u>/s/ JENNIFER L. MINTON</u> Jennifer L. Minton	Senior Vice President, Finance and Operations and Chief Accounting Officer (Principal Accounting Officer)	June 30, 2005
<u>/s/ JEFFREY O. HENLEY</u> Jeffrey O. Henley	Chairman of the Board of Directors	June 30, 2005
<u>/s/ JEFFREY BERG</u> Jeffrey Berg	Director	June 30, 2005
<u>/s/ H. RAYMOND BINGHAM</u> H. Raymond Bingham	Director	June 30, 2005
<u>/s/ MICHAEL J. BOSKIN</u> Michael J. Boskin	Director	June 30, 2005
<u>/s/ HECTOR GARCIA-MOLINA</u> Hector Garcia-Molina	Director	June 30, 2005
<u>/s/ JOSEPH A. GRUNDFEST</u> Joseph A. Grundfest	Director	June 30, 2005
<u>/s/ JACK F. KEMP</u> Jack F. Kemp	Director	June 30, 2005
<u>/s/ DONALD L. LUCAS</u> Donald L. Lucas	Director	June 30, 2005
<u>/s/ CHARLES E. PHILLIPS, JR.</u> Charles E. Phillips, Jr.	Director	June 30, 2005