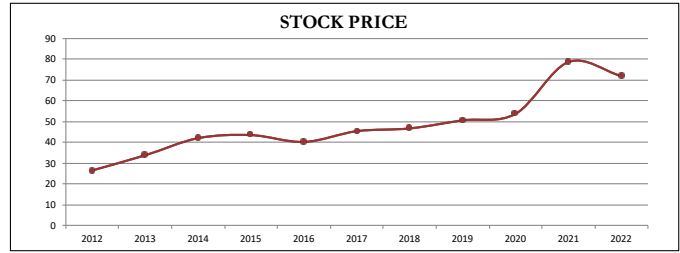
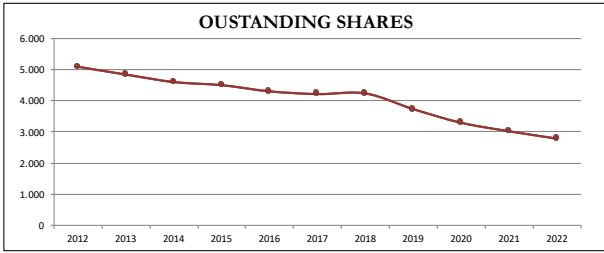


ORACLE

Report Date: 10/02/2023
 Fiscal Year End Date: 31 May

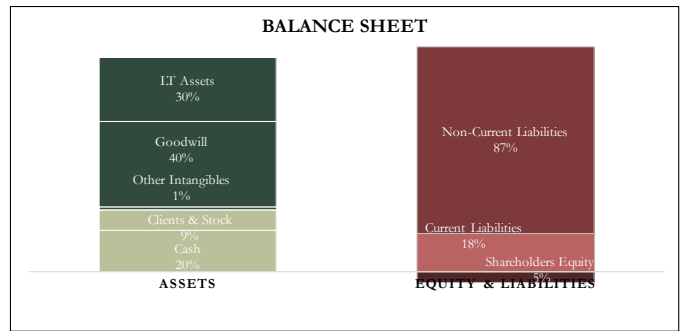
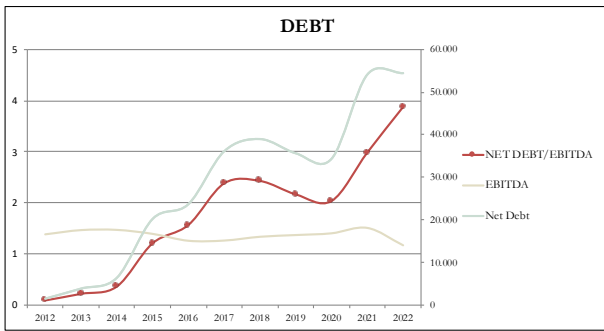


2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2025 (e)	(Fiscal Year End date)
5,095	4,844	4,604	4,503	4,305	4,217	4,238	3,732	3,294	3,022	2,786	2,786	Outstanding Shares (Millions)
	-4.93%	-4.95%	-2.19%	-4.40%	-2.04%	0.50%	-11.94%	-11.74%	-8.26%	-7.81%	-5.86%	Δ Outstanding Shares vs Last Year CAGR
26.47	33.78	42.02	43.49	40.20	45.39	46.72	50.60	53.77	78.74	71.92	87.14	Share Price (\$)
134,865	163,630	193,460	195,835	173,061	191,410	197,999	188,839	177,118	237,952	200,369	242,772	Market Cap. (\$ Millions)

SHARE REPURCHASE - SCORE

Share Repurchase: 5

The repurchases have been very aggressive, reducing the number of outstanding shares practically in half.



2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2025 (e)	(\$ Millions)
40,023	41,692	48,438	62,520	64,313	74,515	75,964	46,386	52,140	55,567	31,633		SHORT TERM ASSETS
14,955	14,613	17,769	21,716	20,152	21,784	21,620	20,514	37,239	30,098	21,383		Cash
877	240	189										Stock & Clients
24,191	26,839	30,180	40,804	44,161	52,731	54,344	25,872	14,901	25,469	10,250		Other Short Term Assets
38,304	40,120	42,206	48,383	47,867	60,476	61,300	62,323	63,298	75,540	77,664		LONG TERM ASSETS
25,119	27,343	29,652	34,087	34,590	43,045	43,755	43,779	43,769	43,395	43,811		Goodwill
7,899	6,640	6,137	6,406	4,943	7,679	6,670	5,279	3,738	2,430	1,440		Other Intangibles
42%	42%	40%	37%	35%	38%	37%	45%	41%	35%	41%		% INTANGIBLES / TOTAL ASSETS
78,327	81,812	90,344	110,903	112,180	134,991	137,264	108,709	115,438	131,107	109,297		TOTAL ASSETS
15,388	12,872	14,389	15,206	17,208	24,178	19,195	18,630	17,200	24,164	19,511		CURRENT LIABILITIES
2,950		1,508	1,999	3,750	9,797	4,491	4,494	2,371	8,250	3,749		Short Term Debt
12,438	12,872	12,881	13,207	13,458	14,381	14,704	14,136	14,829	15,914	15,762		Other Current Liabilities
18,852	23,795	28,508	46,599	47,182	56,567	71,845	67,716	85,521	100,991	95,554		NON-CURRENT LIABILITIES
13,524	18,494	22,667	39,959	40,105	48,112	56,128	51,673	69,226	75,995	72,110		Long Term Debt
34,240	36,667	42,897	61,805	64,390	80,745	91,040	86,346	102,721	125,155	115,065		TOTAL LIABILITIES
44,087	45,145	47,447	49,098	47,790	54,246	46,224	22,363	12,717	5,952	5,768		TOTAL EQUITY
26,199	25,755	25,801	25,507	23,072	26,795	16,776	3,496	12,696	20,120	31,336		Retained Earnings
399	497	569	435	501	386	498	578	643	714	452		Minority Interests
56%	55%	53%	44%	43%	40%	34%	21%	11%	5%	-5%		FINANCIAL AUTONOMY
2,60	3,24	3,35	4,11	3,74	3,08	3,96	2,49	3,03	2,30	1,62		LIQUIDITY RATIO
0,97	1,14	1,23	1,43	1,17	0,90	1,13	1,10	2,17	1,25	1,10		CASH RATIO
1.519	3.881	6.406	20.242	23.703	36.125	38.999	35.653	34.358	54.147	54.476		Net Debt
44%	45%	47%	56%	57%	60%	66%	79%	89%	95%	105%		Debt Ratio
45%	35%	34%	25%	27%	30%	21%	22%	17%	19%	17%		Debt Quality
0,09	0,22	0,36	1,21	1,57	2,38	2,43	2,17	2,04	2,99	3,88		NET DEBT/EBITDA

BALANCE SHEET - SCORE

Intangibles: 0

Goodwill is high due to the acquisitions

Debt: 1

It has increased due to big repurchases and acquisitions

Liquidity: 4

It's very well. Normally they score 5 points in this section

Retained Earnings: 0

Deteriorated due to the aggressive repurchases

Financial Autonomy: 0

Also deteriorated due to the repurchases and acquisitions

INCOME STATEMENT

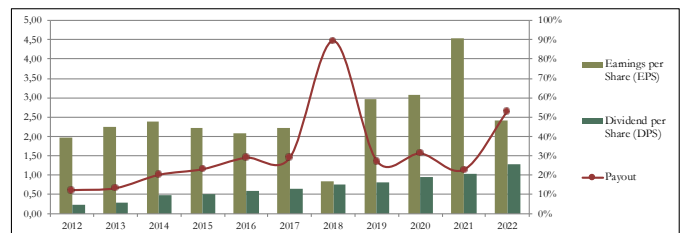
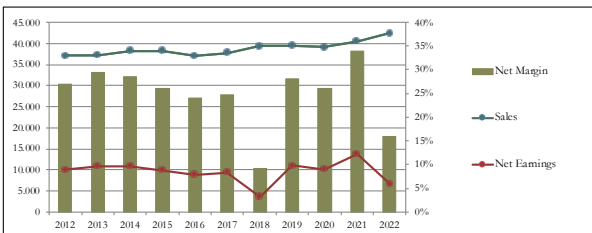
2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2025 (e)	(\$ Millions)
37,121	37,180	38,275	38,226	37,047	37,728	39,383	39,506	39,068	40,479	42,440		
	0.2%	2.9%	-0.1%	-3.1%	1.8%	4.4%	0.3%	-1.1%	3.6%	4.8%		
											1,35%	
16,622	17,615	17,667	16,732	15,113	15,161	16,049	16,454	16,864	18,129	14,048	27,560	EBITDA
13,706	14,684	14,759	13,871	12,604	12,710	13,264	13,535	13,896	15,213	10,926		EBIT
12,962	13,898	13,704	12,834	11,442	11,517	12,424	12,268	12,063	12,999	7,649		EBT
9,981	10,925	10,955	9,938	8,901	9,335	3,587	11,083	10,135	13,746	6,717		Net Earnings
37%	39%	39%	36%	34%	34%	34%	34%	36%	38%	26%		Operating Margin
27%	29%	29%	26%	24%	25%	9%	28%	26%	34%	16%		Net Margin
13%	13%	12%	9%	8%	7%	3%	10%	9%	10%	6%		ROA
23%	24%	23%	20%	19%	17%	8%	50%	80%	231%	-116%		ROE
30%	30%	27%	20%	18%	14%	16%	23%	30%	25%	22%		ROCE

INCOME STATEMENT - SCORE

Sales 1
Flat the last decade

Net Margin 4
Very high, normally scores 5 points in this section

ROE/ROCE/ROA 2
Ratios also very high, en normal years score would be 5



DIVIDEND

2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2025 (e)	(\$ Millions)
1,96	2,26	2,38	2,21	2,07	2,21	0,85	2,97	3,08	4,35	2,41	5,04	
	15,3%	5,5%	-7,1%	-6,3%	6,8%	-61,5%	249,4%	3,7%	47,7%	-47,0%		
											2,09%	
0,24	0,30	0,48	0,51	0,60	0,64	0,76	0,81	0,96	1,04	1,28		Dividend per Share (DPS)
	25,00%	60,00%	6,25%	17,65%	6,67%	18,75%	6,58%	18,52%	8,33%	23,08%		A DPS vs Last Year
12%	13%	20%	23%	29%	29%	89%	27%	31%	23%	53%		Payout
0,91%	0,89%	1,14%	1,17%	1,49%	1,41%	1,63%	1,60%	1,79%	1,32%	1,78%		Dividend Yield

3,39% Expected Dividend Yield in 5Y
7,83% Expected Dividend Yield in 10Y
18,22% CAGR

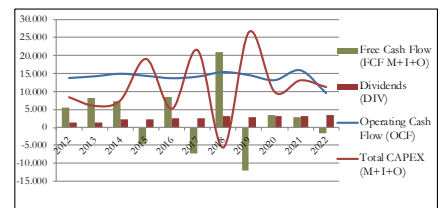
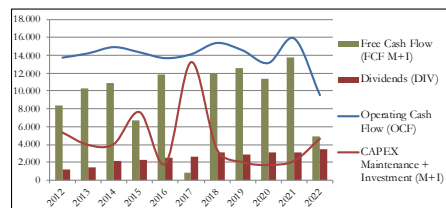
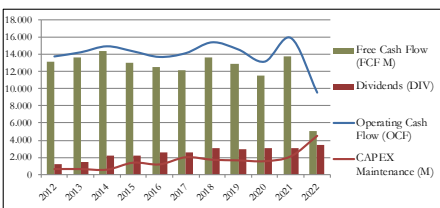
DIVIDEND - SCORE

Dividend 0
Low initial Dividend Yield

Growth 5
High growth

Payout 4
Low payout, normally score 5 points

CASH FLOW

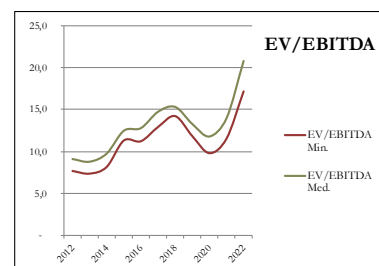
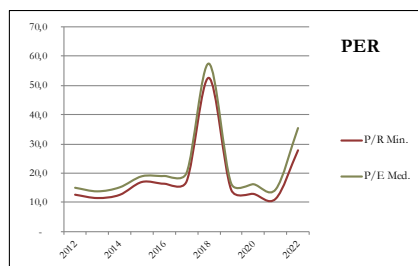
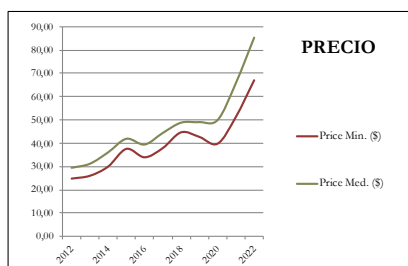


2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2025 (e)	(\$ Millions)
13,743	14,224	14,921	14,336	13,685	14,126	15,386	14,551	13,139	15,887	9,539		Operating Cash Flow (OCF)
648	650	580	1,391	1,189	2,021	1,736	1,660	1,564	2,135	4,511		CAPEX Maintenance (M)
5,350	3,955	4,068	7,630	1,839	13,242	3,460	2,023	1,712	2,176	4,659		CAPEX Maintenance + Investment (M+I)
8,381	5,956	7,539	19,047	5,154	21,494	-5,625	26,557	9,843	13,098	11,220		Total CAPEX (M+I+O)
13,095	13,574	14,341	12,945	12,496	12,105	13,660	12,891	11,575	13,752	5,028		Free Cash Flow (FCF M)
8,393	10,269	10,853	6,706	11,846	884	11,926	12,528	11,427	13,711	4,880		Free Cash Flow (FCF M+I)
5,362	8,268	7,382	-4,711	8,531	-7,368	21,011	-12,006	3,296	2,789	-1,681		Free Cash Flow (FCF M+I+O)
1,205	1,433	2,178	2,255	2,541	2,631	3,140	2,932	3,070	3,063	3,457		Dividends (DIV)
2,916	2,931	2,908	2,861	2,509	2,451	2,785	2,919	2,968	2,916	3,122		Depreciation / Amortization

CASH FLOW - SCORE

Cash Flow 4
The FCF is sustainable to distribute dividends, some years insufficient as in 2017, but the rest of the years Oracle is a money making machine

ANALYSIS - VALUATION



2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2025 (e)	
13,5	14,9	17,7	19,7	19,4	20,5	55,0	17,0	17,5	17,3	29,8		P/E (Fiscal Year End date)
8,2	9,5	11,3	12,9	13,0	15,0	14,8	13,6	12,5	16,1	18,1		EV/ EBITDA (Fiscal Year End date)
34,09	36,34	42,20	46,23	44,91	50,95	52,97	55,41	60,15	80,40	103,65		Price Max. (\$)
24,78	26,00	29,96	37,56	33,94	37,93	44,68	42,69	39,80	51,31	67,04		Price Min. (\$)
29,44	31,17	36,08	41,90	39,43	44,44	48,83	49,05	49,98	65,86	85,35		Price Med. (\$)
15,0	13,8	15,2	19,0	19,0	20,1	57,4	16,5	16,2	14,5	35,4		P/E Med.
12,6	11,5	12,6	17,0	16,4	17,2	52,6	14,4	12,9	11,3	27,8		P/R Min.
127,773	129,825	144,342	189,375	169,815	196,076	228,353	194,972	163,459	209,206	241,249		EV Min.
151,490	154,868	172,518	208,895	193,428	223,528	245,919	218,708	198,976	253,161	292,247		EV Med.
7,7	7,4	8,2	11,3	11,2	12,9	14,2	11,8	9,8	11,5	17,2		EV/EBITDA Min.
9,1	8,8	9,8	12,5	12,8	14,7	15,3	13,3	11,8	14,0	20,8		EV/EBITDA Med.

2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
10,812	11,460	12,148	12,877	13,649	14,468	15,336	16,256	17,232	18,266	19,362		FCF Forecast (\$)
	10,514	10,225	9,943	9,669	9,403	9,145	8,893	8,648	8,410	8,179	8,424	FCF Discounted (\$)

PRICE MULTIPLES VALUATION

By PER Med.	\$79,32
By EV/EBITDA Med.	\$109,23
By Closer Support	\$75,00
By PER Min.	\$64,80
By EV/EBITDA Min.	\$89,92
By Farther Support	\$61,00

PRICES (DISCOUNTED CASH FLOW)

CAGR 10Y	6%	
Perpetual CAGR	3%	
Discount	9%	
Target Price	\$85,30	
Security Margin	15%	\$72,50
Security Margin	30%	\$59,71

PRICE RANGE

1° TARGET PRICE	\$84,01
2° TARGET PRICE	\$68,86

These prices are calculated based on an average between Discounted Cash Flows and Historical Prices. For discounts, we estimate a free cash flow based on the average of the last 4 years, while the multiples are generated from the average and minimum PER and EV/EBITDA ratios between 2019 and 2021.

TOTAL SCORE

FINANCIAL HEALTH

Intangibles	0
Debt	1
Liquidity	4
Retained Earnings	0
Financial Autonomy	0

PROFITABILITY

Sales	1
Net Margin	4
Ratios	2
Adjustment	5

DIVIDEND

Dividend	0
Growth	5
Payout	4
Repurchase	5
Cash Flow	4

CONCLUSION

We give it 5 in adjustment parameter because it has been affected in many parameters due to the fact that in 2022 the results are extraordinarily low due to costs derived from the acquisition of Cerner.

DIVIDEND ST. - FINAL SCORE **2,50**