

ORACLE CORP
Form 11-K
May 25, 2018
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 11-K

(Mark One)

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

For the fiscal year ended December 31, 2017

OR

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

For the transition period from _____ to _____

Commission file number 001-35992

**A. Full title of the plan and the address of the plan, if different from that of the issuer named below:
ORACLE CORPORATION**

401(k) SAVINGS AND INVESTMENT PLAN

**B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:
ORACLE CORPORATION**

500 Oracle Parkway

Redwood City, California 94065

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Oracle Corporation

401(k) Savings and Investment Plan

Financial Statements and Supplemental Schedule

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Report of Independent Registered Public Accounting Firm

To the participants and Plan Committee of the Oracle Corporation 401(k) Savings and Investment Plan

Opinion on the Financial Statements

We have audited the accompanying statements of net assets available for benefits of Oracle Corporation 401(k) Savings and Investment Plan (the Plan) as of December 31, 2017 and 2016, and the related statement of changes in net assets available for benefits for the year ended December 31, 2017 and the related notes (collectively referred to as the *financial statements*). In our opinion, the financial statements present fairly, in all material respects, the net assets available for benefits of Oracle Corporation 401(k) Savings and Investment Plan as of December 31, 2017 and 2016, and the changes in net assets available for benefits for the year ended December 31, 2017, in conformity with accounting principles generally accepted in the United States of America.

Supplemental Information

The supplemental information in the accompanying schedule of assets (held at end of year) as of December 31, 2017 has been subjected to audit procedures performed in conjunction with the audit of Oracle Corporation 401(k) Savings and Investment Plan's financial statements. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information in the accompanying schedule, we evaluated whether the supplemental information, including its form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. In our opinion, the supplemental information in the accompanying schedule is fairly stated, in all material respects, in relation to the financial statements as a whole.

Basis for Opinion

These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to Oracle Corporation 401(k) Savings and Investment Plan in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Oracle Corporation 401(k) Savings and Investment Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. Our audits included performing procedures to assess the risk of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risk. Such procedures included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

/s/ SENSIBA SAN FILIPPO LLP

We have served as Oracle Corporation 401(k) Savings and Investment Plan s auditor since 2004.

San Mateo, California

May 25, 2018

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Oracle Corporation
401(k) Savings and Investment Plan
Statements of Net Assets Available for Benefits
As of December 31, 2017 and 2016

| (in thousands) | December 31, | |
|--|----------------------|----------------------|
| | 2017 | 2016 |
| Assets | | |
| Cash | \$ 11,963 | \$ 7,526 |
| Investments, at fair value | 14,566,634 | 12,131,400 |
| Investments, at contract value | 763,692 | 767,063 |
| Receivables: | | |
| Notes receivable from participants | 86,132 | 90,469 |
| Participant contributions | 12,397 | 13,696 |
| Employer contributions | 4,338 | 4,774 |
| Other receivables | 6,218 | 3,882 |
| Total receivables | 109,085 | 112,821 |
| Total assets | 15,451,374 | 13,018,810 |
| Liabilities | | |
| Excess deferrals due to participants | 257 | 202 |
| Other liabilities | 6,784 | 3,145 |
| Total liabilities | 7,041 | 3,347 |
| Net assets available for benefits | \$ 15,444,333 | \$ 13,015,463 |

See notes to financial statements.

Table of Contents**Oracle Corporation****401(k) Savings and Investment Plan****Statement of Changes in Net Assets Available for Benefits****For the Year Ended December 31, 2017****(in thousands)****Additions**

| | |
|--|------------|
| Interest, dividends and other income | \$ 223,321 |
| Net appreciation in fair values of investments | 2,385,940 |

| | |
|-----------------------------|-----------|
| Total investment gains, net | 2,609,261 |
|-----------------------------|-----------|

Contributions:

| | |
|--------------|---------|
| Participants | 600,384 |
| Employer | 155,065 |
| Rollovers | 130,087 |

| | |
|---------------------|---------|
| Total contributions | 885,536 |
|---------------------|---------|

| | |
|----------------------|-----------|
| Total additions, net | 3,494,797 |
|----------------------|-----------|

Deductions

| | |
|-------------------------------|-----------|
| Benefits paid to participants | 1,065,407 |
| Administrative expenses | 520 |

| | |
|------------------|-----------|
| Total deductions | 1,065,927 |
|------------------|-----------|

| | |
|---------------------|------------------|
| Net increase | 2,428,870 |
|---------------------|------------------|

| | |
|--|------------|
| Net assets available for benefits at beginning of year | 13,015,463 |
|--|------------|

| | |
|---|----------------------|
| Net assets available for benefits at end of year | \$ 15,444,333 |
|---|----------------------|

See notes to financial statements.

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Oracle Corporation

401(k) Savings and Investment Plan

Notes to Financial Statements

December 31, 2017

1. Description of the Plan

The following description of the Oracle Corporation 401(k) Savings and Investment Plan (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan originally established in 1986 that has since been amended and for which Oracle Corporation (Oracle) is the current sponsor. The Plan was established for the purpose of providing retirement benefits for the U.S. employees of Oracle and its subsidiaries. The Plan is intended to qualify as a profit sharing plan under Section 401(a) of the Internal Revenue Code of 1986, as amended (the Code), with a salary reduction feature qualified under Section 401(k) of the Code. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). The Plan is administered by the 401(k) Committee, members of which are appointed by the Compensation Committee of Oracle's Board of Directors or the Executive Vice President, Human Resources. Fidelity Management Trust Company is the directed trustee of the Plan; Fidelity Investments Institutional Operations Company, Inc. (Fidelity) serves as the record keeper to maintain the individual accounts of each of the Plan's participants.

Eligibility

All employees regularly scheduled to work a minimum of 20 hours per week or 1,000 hours in a Plan year on the domestic payroll of Oracle and its subsidiaries that have adopted the Plan are eligible to participate in the Plan as of the first date, or any succeeding entry date following the date the employee is credited with one hour of service with Oracle. However, the following employees or classes of employees are not eligible to participate: (i) employees whose compensation and conditions of employment are subject to determination by collective bargaining; (ii) employees who are non-resident aliens and who received no earned income (within the meaning of the Code) from Oracle; (iii) workers who are performing services at an Oracle facility as an employee of a third-party entity that is not an employment agency; (iv) employees of employment agencies; and (v) persons who are not classified as employees for tax purposes.

Contributions

Each year, participants may contribute up to 40% of their eligible compensation as defined by the Plan document. Annual participant contribution amounts are limited to \$18,000 of salary deferrals for the year ended December 31, 2017 (\$24,000 for participants 50 years old and older), as determined by the Internal Revenue Service (IRS). Salary deferrals consist of pre-tax and/or Roth 401(k) contributions. Participants may also contribute up to 15% of their eligible compensation, subject to certain annual dollar limitations, on a post-tax basis.

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Oracle matches 50% of an active participant's salary deferrals up to a maximum deferral of 6% of compensation for the pay period, with maximum aggregate matching of \$5,100 in any calendar year. Oracle has the right, under the Plan, to discontinue or modify its matching contributions at any time. Participants may also contribute amounts representing distributions from other qualified plans. All of Oracle's matching contributions are made in cash on a pre-tax basis.

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Oracle Corporation

401(k) Savings and Investment Plan

Notes to Financial Statements (Continued)

December 31, 2017

Investment Options

Participants direct the investment of their contributions and Oracle's matching contributions into various investment options offered by the Plan. The Plan currently offers investments in Oracle's common stock, common/collective trust funds, mutual funds, separately managed account funds (including a stable value fund) and Brokerage Link. Brokerage Link balances consist of the mutual funds offered by the Plan, as well as mutual funds offered by other registered investment companies, common stock or other investment products.

Participant Accounts

Each participant's account is credited with the participant's and Oracle's contributions and allocations of Plan earnings. All amounts in participant accounts are participant directed.

Vesting

All elective contributions made by participants and earnings on those contributions are 100% vested at all times. Participants' vesting in Oracle's matching contributions is based on years of service. Participants are 25% vested after one year of service and vest an additional 25% on each successive service anniversary date, becoming 100% vested after four years of service.

Participants forfeit the nonvested portion of their accounts in the Plan upon termination of employment with Oracle. Forfeited balances of terminated participants' nonvested accounts may be used at Oracle's discretion, as outlined in the Plan, to reduce its matching contribution obligations. During the year ended December 31, 2017, Oracle used \$7,700,000 of forfeited balances to reduce its matching contribution obligations. The amounts of unallocated forfeitures at December 31, 2017 and 2016 were \$822,000 and \$681,000, respectively.

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of \$1,000 and up to a maximum of \$50,000 or 50% of their vested account balance, whichever is less. Loan terms may not exceed five years unless the loan is used to purchase a participant's principal residence, in which case repayment terms may not exceed 10 years. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with local prevailing lending rates determined by the 401(k) Committee. Principal and interest is paid ratably through payroll deductions, and participants may elect to submit additional payments outside of payroll deductions in order to reduce principal loan balances on an accelerated basis. Loans are generally due in full within 60 days of termination with Oracle unless the participant arranges for loan repayments to continue via monthly debit from a checking or savings account in a bank located in the United States.

Payment of Benefits

Upon termination of service, death, disability, or normal or early retirement, participants may elect to receive a lump-sum amount equal to the vested value of their account or may waive receipt of a lump sum benefit and elect to receive monthly, quarterly or annual installments, a partial distribution, or may request a rollover from the Plan to another eligible retirement plan. Failure of a participant to make an election of one of these options within 60 days is deemed to be an election to defer commencement of payment. If the participant's account is valued at \$1,000 or less, the amount is distributed in a lump sum. Distributions of investments in Oracle's common stock may be taken in the form of common stock. Hardship withdrawals are permitted if certain criteria are met.

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Oracle Corporation

401(k) Savings and Investment Plan

Notes to Financial Statements (Continued)

December 31, 2017

Investment Management Fees and Operating Expenses

Investment management fees and operating expenses charged to the Plan for investments in the various funds are deducted from income earned on a daily basis and are reflected as a component of net appreciation in fair values of investments.

Administrative Expenses

Administrative expenses are borne by Oracle, except for fees related to administration of participant loans and certain withdrawal transactions, which are deducted from the applicable participants' accounts. Oracle, at its discretion, may also choose to utilize available revenue sharing (based on a revenue sharing agreement between Oracle and Fidelity) or forfeited balances of terminated participants' nonvested accounts to pay for reasonable expenses related to the administration of the Plan.

Plan Termination

Although it has not expressed any intent to do so, Oracle has the right, under provisions of the Plan, to terminate the Plan, subject to the provisions of ERISA. In the event of the Plan's termination, participants will become 100% vested in their accounts.

2. Summary of Significant Accounting Policies

Basis of Accounting and Presentation

The accompanying financial statements of the Plan are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States (GAAP). The preparation of financial statements in conformity with GAAP requires management to make estimates that affect the amounts reported in the financial statements and accompanying notes and supplemental schedule. Actual results could differ from those estimates.

Investments Valuation and Income Recognition

The Plan's investments are generally stated at their fair values with the exception of the Galliard Stable Value Fund (a separately-managed account fund investment), which is stated at its contract value in the statements of net assets available for benefits at December 31, 2017 and 2016. The shares of registered investment companies (mutual funds) are valued at quoted market prices. The money market funds are valued at cost plus accrued interest, which approximated fair values. Common stock, including Oracle's common stock, is traded on a national securities exchange and is valued at the last reported sales price on the last day of the Plan year. The valuation techniques used to measure the fair values of the common/collective trust funds with significant balances as of December 31, 2017 are

included in Note 4 below.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on an accrual basis. Dividends are recorded on the ex-dividend date.

The Oracle Stock Fund (the Fund) is tracked on a unitized basis, which allows for daily trades. The Fund consists of Oracle common stock and investment in the Fidelity Investments Money Market Government Portfolio sufficient to meet the Fund's daily cash needs. The value of a unit reflects the combined market value of Oracle

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Oracle Corporation

401(k) Savings and Investment Plan

Notes to Financial Statements (Continued)

December 31, 2017

common stock and the cash investments held by the Fund. At December 31, 2017, 2,313,067 units were outstanding with a value of \$360.56 per unit. At December 31, 2016, 2,451,197 units were outstanding with a value of \$289.03 per unit.

Fair Value Measurements

The Plan performs fair value measurements in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification 820, *Fair Value Measurement* (ASC 820). Refer to Note 3 for the fair value measurement disclosures associated with the Plan's investments.

Risks and Uncertainties

The Plan provided for various investment options in common stock, registered investment companies (mutual funds), common/collective trusts, separately-managed account funds (including a stable value fund) and short-term investments. The Plan's exposure to credit losses in the event of nonperformance of investments is limited to the carrying value of such investments. Investment securities, in general, are exposed to various risks, such as risk of foreign currency fluctuations relative to the U.S. Dollar, interest rate risk, credit risk, and overall market volatility risk. During the year ended December 31, 2017, net appreciation in fair values of investments totaled \$2.4 billion. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits, participant account balances and the statement of changes in net assets available for benefits.

3. Fair Value Measurements

The Plan performs fair value measurements in accordance with the guidance provided by ASC 820. ASC 820 defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities required to be recorded at their fair values, the Plan considers the principal or most advantageous market in which it would transact and considers assumptions that market participants would use when pricing the assets or liabilities, such as inherent risk, transfer restrictions, and risk of nonperformance.

ASC 820 establishes a fair value hierarchy that requires the Plan to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. An asset's or a liability's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. ASC 820 establishes three levels of inputs that may be used to measure fair value:

Level 1: quoted prices in active markets for identical assets or liabilities;

Level 2: inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities; or

Level 3: unobservable inputs that are supported by little or no market activity and that are significant to the fair values of the assets or liabilities.

Table of Contents**Oracle Corporation****401(k) Savings and Investment Plan****Notes to Financial Statements (Continued)****December 31, 2017*****Investments Measured at Fair Value on a Recurring Basis***

Investments measured at fair value on a recurring basis consisted of the following types of instruments (Level 1 and 2 inputs are defined above):

| (in thousands) | December 31, 2017 | | | December 31, 2016 | | |
|---|--------------------------------|-----------------|----------------------|--------------------------------|-----------------|----------------------|
| | Fair Value Measurements | | | Fair Value Measurements | | |
| | Using Input Types | | | Using Input Types | | |
| | Level 1 | Level 2 | Total | Level 1 | Level 2 | Total |
| Money market funds | \$ 208,606 | \$ | \$ 208,606 | \$ 223,396 | \$ | \$ 223,396 |
| Oracle Corporation and other common stock | 1,729,843 | | 1,729,843 | 1,537,625 | | 1,537,625 |
| Mutual funds | 2,921,731 | | 2,921,731 | 4,732,217 | | 4,732,217 |
| Corporate securities and others | 17,287 | 4,067 | 21,354 | 7,762 | 7,880 | 15,642 |
| Total investments measured at fair value | \$ 4,877,467 | \$ 4,067 | \$ 4,881,534 | \$ 6,501,000 | \$ 7,880 | \$ 6,508,880 |
| Common/collective trust funds measured at net asset value | | | 9,685,100 | | | 5,622,520 |
| Total investments | | | \$ 14,566,634 | | | \$ 12,131,400 |

The Plan's valuation techniques used to measure the fair values of money market funds, common stock, mutual funds and corporate securities and others that were classified as Level 1 in the table above were derived from quoted market prices as substantially all of these instruments have active markets. Our level 2 instruments are valued based on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar securities, the securities are valued using a discounted cash flow approach that maximizes observable inputs, such as current yields of similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks. A description of the valuation techniques used to measure the fair values of common/collective trust funds and separately-managed account fund investments with significant balances as of December 31, 2017 and 2016 are included in Note 4 below. Redemption for common collective trust funds is permitted daily with no restrictions and same-day or one-day notice periods and there are no unfunded commitments.

4. Composition and Valuation of Certain Plan Investments

Fidelity Commingled Funds

The Plan held investments in Fidelity Contrafund Commingled Pool, Fidelity Growth Company Commingled Pool and Fidelity Low-Priced Stock Commingled Pool as of December 31, 2017 and 2016 (collectively, the Fidelity Commingled Funds). The Fidelity Commingled Funds are common/collective trust funds managed by Fidelity Management Trust Company. Fidelity Pricing and Cash Management Services, an affiliate of Fidelity Management Trust Company, determines the fair values of the Fidelity Commingled Funds on a daily basis using the net asset value (NAV) of units held of the commingled funds. The NAV is based on the fair value of the underlying investments held by each commingled fund less its liabilities. The fair value of the underlying investments is generally derived from the quoted prices in active markets of the underlying securities as substantially all of the underlying investments have active markets.

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Oracle Corporation

401(k) Savings and Investment Plan

Notes to Financial Statements (Continued)

December 31, 2017

Vanguard Trusts

The Plan held investments in certain Vanguard Institutional Index Trusts and certain Vanguard Target Retirement Trusts (collectively, the Vanguard Trusts), which are more specifically listed in Schedule H, Line 4(i) Schedule of Assets (Held at End of Year) as of December 31, 2017 and 2016. The Vanguard Trusts are common/collective trust funds sponsored and maintained by Vanguard Fiduciary Trust Company. The trustee, Vanguard Fiduciary Trust Company, generally determines the fair values of the Vanguard Trusts' units each day the New York Stock Exchange is open for trading. The underlying investments of the Vanguard Trusts are valued based on quoted market prices as substantially all of these underlying investments have active markets. The values of the Vanguard Trusts are determined based upon the values of these underlying investments held for benefit of the Vanguard Trusts less any liabilities.

Galliard Stable Value Fund

During the years ended December 31, 2017 and 2016, the Plan held investments in Galliard Stable Value Fund (Galliard Fund). The Galliard Fund is exclusively managed for the Plan by Galliard Capital Management, Inc. The Galliard Fund primarily invests in common/collective trust funds in the Plan's name for the sole benefit of Plan participants, security-backed investment contracts, separate accounts guaranteed investment contracts and money market funds. Security-backed investment contracts are issued by insurance companies and other financial institutions that wrap underlying bond funds, fixed income common/collective trust funds or separate accounts (Wrap Contract).

The issuer of the Wrap Contract guarantees a minimum rate of return and provides full benefit responsiveness, provided that all terms of the Wrap Contract have been met. Wrap Contracts are normally agreements entered with issuers rated in the top three long-term rating categories (equaling A- or above) as determined by any of the nationally recognized rating organizations. The Galliard Fund is credited with contributions from participants and earnings on the underlying investments and charged for participant withdrawals and administrative expenses.

As of December 31, 2017 and 2016, there were no reserves against the Wrap Contracts' carrying values due to credit risks of the issuers. Certain events limit the ability of the Plan to transact at contract value with the wrap issuer. However, the Plan's management is not aware of the occurrence or likely occurrence of any such events, which would limit the Plan's ability to transact at contract value with participants. The issuer may terminate a Wrap Contract at any time.

The following table provides the disaggregation of contract value between types of investment contracts held by the Plan:

| (in thousands) | December 31, | |
|--|---------------------|-------------------|
| | 2017 | 2016 |
| Security-backed investment contracts | \$ 675,005 | \$ 677,789 |
| Separate account guaranteed investment contracts | 88,687 | 89,274 |
| Total investment contracts | \$ 763,692 | \$ 767,063 |

5. Income Tax Status

On October 20, 2015, the Plan received a determination letter from the IRS stating that the Plan is qualified under Section 401(a) of the Code, and therefore, the related trust is exempt from taxation. This determination

Table of Contents**Oracle Corporation****401(k) Savings and Investment Plan****Notes to Financial Statements (Continued)****December 31, 2017**

letter superseded the determination letters issued by the IRS on April 3, 2015 and May 29, 2014. The 401(k) Committee believes the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believes that the Plan is qualified and the related trust is tax exempt. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

6. Party-in-Interest Transactions

Transactions in shares of Oracle common stock qualify as party-in-interest transactions under the provisions of ERISA. During the year ended December 31, 2017, the Plan made purchases of approximately \$41,565,000 and sales of approximately \$60,898,000 of Oracle common stock. In addition, the Plan made in-kind transfers of Oracle common stock to participants, related to certain qualifying distribution, of approximately \$16,402,000 during the year ended December 31, 2017.

Certain members of Oracle Corporation management perform administrative and fiduciary duties for the Plan that qualify them as parties-in-interest and/or related parties of the Plan. Transactions between such members of Oracle Corporation management and the Plan were routine in nature and conducted pursuant to the Plan's provisions as of and during the year ended December 31, 2017.

As described in Note 1 above, Fidelity Management Trust Company is a directed trustee of the Plan and Fidelity Investments Institutional Operations Company, Inc. serves as the record keeper to maintain the individual accounts of each Plan participant. Certain Plan investments include shares of mutual funds that are managed by affiliates of Fidelity.

7. Differences between Financial Statements and Form 5500

The following is a reconciliation of the net assets available for benefits per the financial statements to the Plan's Form 5500:

| (in thousands) | December 31, | |
|---|---------------------|---------------|
| | 2017 | 2016 |
| Net assets available for benefits per the financial statements | \$ 15,444,333 | \$ 13,015,463 |
| Adjustment from contract value to fair value of certain Galliard Stable Value Fund assets | (388) | 695 |
| Amounts allocated to withdrawing participants and other | (1,190) | (1,285) |
| Net assets available for benefits per the Form 5500 | \$ 15,442,755 | \$ 13,014,873 |

The following is a reconciliation of the changes in net assets available for benefits per the financial statements to the Plan's Form 5500:

| (in thousands) | Year Ended December 31, | |
|--|--------------------------------|--------------|
| | 2017 | 2016 |
| Net increase in net assets available for benefits per the financial statements | \$ 2,428,870 | \$ 1,025,320 |
| Net change in fair value adjustment of certain Galliard Stable Value Fund assets | (1,083) | (2,301) |
| Net change in amounts allocated to withdrawing participants and other | 95 | (92) |
| Net income per the Form 5500 | \$ 2,427,882 | \$ 1,022,927 |

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Oracle Corporation

401(k) Savings and Investment Plan

Notes to Financial Statements (Continued)

December 31, 2017

The fair value adjustment for certain Galliard Stable Value Fund assets represented the differences between contract values of certain fully benefit-responsive contracts within the Galliard Fund as included in the statements of changes in net assets available for benefits for the years ended December 31, 2017 and 2016, and the respective fair values of these contracts as reported in the respective Form 5500. Certain investments within the Galliard Fund are presented at contract value in both the statements of changes in net assets available for benefits and the Form 5500, and therefore, do not result in a difference between the Plan's financial statements and the Form 5500. Amounts allocated to withdrawing participants are recorded on the Form 5500 for benefit claims that have been processed and approved for payment prior to each respective year-end but were not yet paid.

8. Excess Contributions

Contributions received from participants for the year ended December 31, 2017 included approximately \$257,000 of excess contributions (net of corresponding gains and losses) that were remitted during January 2018 through April 2018 to certain participants. The excess deferral contributions, originally deducted in the year ended December 31, 2017, were returned to comply with the participants' applicable maximum annual contributions permitted under the Code. The amount is included in the Plan's statement of net assets available for benefits as excess deferrals due to participants at December 31, 2017.

Table of Contents**Oracle Corporation****401(k) Savings and Investment Plan****EIN 54-2185193, Plan # 001****Schedule H, Line 4(i) Schedule of Assets (Held at End of Year)****December 31, 2017**

| (a) | (b) Identity of Issue, Borrower, Lessor, or Similar Party | (c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value | (e) Current Value (in thousands) |
|-----|---|---|---|
| | Registered Investment Companies: | | |
| | Dodge & Cox International Stock Fund | 9,840,028 shares | \$ 455,790 |
| | Dodge & Cox Stock Fund | 4,448,281 shares | 905,714 |
| * | Fidelity Balanced Fund Class K | 21,179,933 shares | 502,600 |
| * | Fidelity Worldwide Fund | 8,399,124 shares | 221,821 |
| | Lazard Emerging Markets Equity Fund Class Institutional | 13,822,877 shares | 276,734 |
| | PIMCO Inflation Response Multi-Asset Fund Institutional | 1,076,453 shares | 9,419 |
| | | | 2,372,078 |
| | Assets in Brokerage Link Accounts | Various investments, including registered investment companies, common stocks, money market funds and cash | 811,045 |
| | Oracle Corporation Common Stock Fund: | | |
| * | Oracle Corporation Common Stock | 17,498,692 shares | 827,338 |
| * | Fidelity Institutional Money Market Fund | 6,628,309 shares | 6,628 |
| | Separately-managed Account Fund Investments: | | |
| | Artisan International Separate Account | | |
| | <i>Depository Receipts</i> | | |
| | Alibaba Group Holding Ltd | 35,294 shares | 6,086 |
| | Ambev SA | 83,972 shares | 542 |
| | Grifols SA | 65,050 shares | 1,491 |
| | NetEase, Inc. | 7,667 shares | 2,646 |
| | Sociedad Quimica y Minera de Chile SA | 3,754 shares | 223 |
| | <i>Common Stock</i> | | |
| | AIA Group Ltd | 618,278 shares | 5,274 |
| | Airbus SE | 28,714 shares | 2,860 |

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| | | |
|--------------------------------------|------------------|-------|
| Akzo Nobel NV | 23,063 shares | 2,021 |
| Allianz SE | 30,308 shares | 6,964 |
| Amadeus IT Group SA | 5,246 shares | 378 |
| Amazon.com, Inc | 2,774 shares | 3,244 |
| Aon plc | 27,032 shares | 3,622 |
| ASML Holding NV | 15,989 shares | 2,785 |
| Assicurazioni Generali S.p.A. | 182,292 shares | 3,325 |
| BAE Systems plc | 235,208 shares | 1,820 |
| Bank Rakyat Indonesia Persero Tbk PT | 4,717,500 shares | 1,266 |
| Beiersdorf AG | 30,290 shares | 3,558 |
| BNP Paribas SA | 7,513 shares | 561 |
| Calbee Inc | 59,500 shares | 1,935 |
| Canadian Pacific Railway Ltd | 26,584 shares | 4,858 |
| China Literature Ltd | 1,232 shares | 13 |
| Coca-Cola European Partners plc | 116,116 shares | 4,627 |
| ConvaTec Group plc | 736,851 shares | 2,044 |
| Credit Suisse Group AG | 20,997 shares | 375 |
| Deutsche Boerse AG | 80,679 shares | 9,370 |
| Deutsche Post AG | 97,909 shares | 4,670 |
| Deutsche Telekom AG | 117,861 shares | 2,092 |
| Eiffage SA | 21,694 shares | 2,378 |
| Experian plc | 90,390 shares | 1,997 |
| FANUC Corp | 8,300 shares | 1,993 |

Table of Contents**Oracle Corporation****401(k) Savings and Investment Plan****EIN 54-2185193, Plan # 001****Schedule H, Line 4(i) Schedule of Assets (Held at End of Year) (Continued)****December 31, 2017**

| (a) | (b) | (c) | (e) |
|-----|--|--|------------------------------------|
| | Identity of Issue, Borrower, Lessor, or Similar Party | Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value | Current Value (in thousands) |
| | Ferguson plc | 45,336 shares | 3,263 |
| | Genmab A/S | 1,198 shares | 199 |
| | Glencore plc | 682,665 shares | 3,595 |
| | Grifols SA | 33,458 shares | 981 |
| | Idorsia Ltd | 9,313 shares | 243 |
| | ING Groep NV | 359,337 shares | 6,607 |
| | Intesa Sanpaolo S.p.A. | 1,019,215 shares | 3,387 |
| | Japan Tobacco Inc | 135,416 shares | 4,364 |
| | LG Household & Health Care Ltd | 794 shares | 885 |
| | Liberty Global plc Class A | 39,509 shares | 1,416 |
| | Liberty Global plc Class C | 78,426 shares | 2,654 |
| | Linde AG | 39,892 shares | 9,317 |
| | London Stock Exchange Group plc | 27,680 shares | 1,418 |
| | Medtronic plc | 58,696 shares | 4,740 |
| | Mitsubishi UFJ Financial Group Inc | 260,800 shares | 1,913 |
| | MMC Norilsk Nickel PJSC | 115,139 shares | 2,158 |
| | Naspers Ltd | 4,483 shares | 1,250 |
| | Nestle SA | 71,294 shares | 6,131 |
| | Nintendo Co Ltd | 12,200 shares | 4,460 |
| | NTT DOCOMO Inc | 27,241 shares | 643 |
| | Ping An Insurance Group Co of China Ltd | 265,000 shares | 2,759 |
| | Prudential plc | 120,941 shares | 3,112 |
| | Rohm Co Ltd | 17,400 shares | 1,927 |
| | Samsung Electronics Co Ltd | 3,576 shares | 4,284 |
| | SAP SE | 15,804 shares | 1,772 |
| | Schlumberger Ltd | 25,184 shares | 1,697 |
| | Schneider Electric SE | 23,615 shares | 2,008 |
| | Sumitomo Metal Mining Co Ltd | 59,634 shares | 2,740 |
| | Tencent Holdings Ltd | 35,800 shares | 1,860 |
| | UniCredit S.p.A. | 103,053 shares | 1,926 |
| | WABCO Holdings Inc | 13,088 shares | 1,878 |

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| | | |
|--|-------------------|---------|
| Wirecard AG | 60,451 shares | 6,751 |
| <i>Participating Certificate</i> | | |
| Ryanair Holdings plc | 271,139 shares | 4,896 |
| <i>Preferred Stock</i> | | |
| Henkel AG & Co KGaA | 19,057 shares | 2,523 |
| | | 184,775 |
| Galliard Stable Value Fund | | |
| <i>Common/Collective Trust Funds</i> | | |
| Wells Fargo Fixed Income Fund A | 9,661,897 shares | 254,118 |
| Wells Fargo Fixed Income Fund E | 1,687,221 shares | 40,795 |
| Wells Fargo Fixed Income Fund F | 22,212,101 shares | 312,984 |
| Wells Fargo Fixed Income Fund N | 5,536,259 shares | 66,719 |
| Wells Fargo Stable Value Fund W | 421,975 shares | 23,024 |
| MetLife Insurance Company Separate Account | 858,685 shares | 88,687 |
| * Fidelity Institutional Money Market Government Portfolio | 11,666,992 shares | 11,667 |
| | | 797,994 |

Table of Contents**Oracle Corporation****401(k) Savings and Investment Plan****EIN 54-2185193, Plan # 001****Schedule H, Line 4(i) Schedule of Assets (Held at End of Year) (Continued)****December 31, 2017**

| (a) | (b) | (c) | (e) |
|-----|--|--|------------------------------------|
| | Identity of Issue, Borrower, Lessor, or Similar Party | Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value | Current Value (in thousands) |
| | US Small Mid Cap Value Fund | | |
| | <i>Registered Investment Companies</i> | | |
| | DFA US Targeted Value I | 9,169,895 shares | 228,239 |
| | <i>Common Stock</i> | | |
| | ABM Industries Incorporated | 17,871 shares | 674 |
| | ACCO Brands Corporation | 121,418 shares | 1,481 |
| | AECOM | 46,689 shares | 1,735 |
| | Aegion Corporation | 24,888 shares | 633 |
| | The AES Corporation | 87,615 shares | 949 |
| | AGNC Investment Corp. | 34,045 shares | 687 |
| | Air Lease Corporation | 74,058 shares | 3,562 |
| | Alaska Air Group, Inc. | 19,393 shares | 1,426 |
| | Alleghany Corporation | 1,782 shares | 1,062 |
| | Ally Financial Inc. | 60,465 shares | 1,763 |
| | AMC Networks Inc. | 25,694 shares | 1,390 |
| | Amdocs Limited | 26,279 shares | 1,721 |
| | Anworth Mortgage Asset Corporation | 76,268 shares | 415 |
| | Ares Capital Corporation | 87,430 shares | 1,375 |
| | Ares Commercial Real Estate Corporation | 97,752 shares | 1,261 |
| | Arrow Electronics, Inc. | 41,564 shares | 3,342 |
| | Aspen Insurance Holdings Limited | 15,161 shares | 616 |
| | Assurant, Inc. | 6,139 shares | 619 |
| | Assured Guaranty Ltd. | 37,913 shares | 1,284 |
| | Athene Holding Ltd. | 11,644 shares | 602 |
| | Avnet, Inc. | 26,055 shares | 1,032 |
| | AXIS Capital Holdings Limited | 9,665 shares | 486 |
| | BankUnited, Inc. | 52,606 shares | 2,142 |
| | Belden Inc. | 20,330 shares | 1,569 |
| | Berry Global Group, Inc. | 36,307 shares | 2,130 |
| | Blackstone Mortgage Trust, Inc. | 18,487 shares | 595 |
| | BMC Stock Holdings, Inc. | 70,266 shares | 1,778 |

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| | | |
|---|----------------|-------|
| Booz Allen Hamilton Holding Corporation | 17,461 shares | 666 |
| Brooks Automation, Inc. | 47,869 shares | 1,142 |
| Cabot Corporation | 10,120 shares | 623 |
| Cambrex Corporation | 31,778 shares | 1,526 |
| Carlisle Companies Incorporated | 6,046 shares | 687 |
| CDW Corporation | 39,178 shares | 2,723 |
| Chatham Lodging Trust | 30,048 shares | 684 |
| Chemed Corporation | 6,373 shares | 1,549 |
| Ciena Corporation | 54,927 shares | 1,150 |
| Coherent, Inc. | 13,468 shares | 3,801 |
| Colony NorthStar, Inc. | 103,228 shares | 1,178 |
| Columbia Banking System, Inc. | 13,222 shares | 575 |
| CommScope Holding Company, Inc. | 39,835 shares | 1,507 |
| Convergys Corporation | 40,214 shares | 945 |
| Cooper Tire & Rubber Company | 19,106 shares | 675 |
| Crown Holdings, Inc. | 10,290 shares | 579 |
| Curtiss-Wright Corporation | 5,940 shares | 724 |
| CYS Investments, Inc. | 232,942 shares | 1,871 |
| Diamondback Energy, Inc. | 22,943 shares | 2,897 |
| Dick's Sporting Goods, Inc. | 24,832 shares | 714 |

Table of Contents**Oracle Corporation****401(k) Savings and Investment Plan****EIN 54-2185193, Plan # 001****Schedule H, Line 4(i) Schedule of Assets (Held at End of Year) (Continued)****December 31, 2017**

| (a) | (b) | (c) | (e) |
|-----|--|--|------------------------------------|
| | Identity of Issue, Borrower, Lessor, or Similar Party | Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value | Current Value (in thousands) |
| | Dril-Quip, Inc. | 8,322 shares | 397 |
| | E*TRADE Financial Corporation | 44,494 shares | 2,206 |
| | East West Bancorp, Inc. | 38,301 shares | 2,330 |
| | Energizer Holdings, Inc. | 14,859 shares | 713 |
| | EnerSys | 27,010 shares | 1,881 |
| | Engility Holdings, Inc. | 26,502 shares | 752 |
| | Envision Healthcare Corporation | 33,894 shares | 1,171 |
| | EQT Corporation | 26,523 shares | 1,510 |
| | Essent Group Ltd. | 46,028 shares | 1,999 |
| | Everest Re Group, Ltd. | 6,849 shares | 1,516 |
| | Extraction Oil & Gas, Inc. | 82,460 shares | 1,180 |
| | FCB Financial Holdings, Inc. | 18,777 shares | 954 |
| | Ferro Corporation | 38,196 shares | 901 |
| | Ferroglobe plc | 81,474 shares | 1,320 |
| | Fidelity National Financial, Inc. | 15,828 shares | 621 |
| | First Citizens BancShares, Inc. | 2,729 shares | 1,100 |
| | First Merchants Corporation | 23,713 shares | 998 |
| | First Midwest Bancorp, Inc. | 25,090 shares | 603 |
| | FirstCash, Inc. | 32,986 shares | 2,225 |
| | Flex Ltd. | 121,632 shares | 2,188 |
| | Foot Locker, Inc. | 19,569 shares | 917 |
| | Forum Energy Technologies, Inc. | 43,788 shares | 681 |
| | Fresh Del Monte Produce Inc. | 18,902 shares | 901 |
| | FTI Consulting, Inc. | 26,899 shares | 1,156 |
| | Gardner Denver Holdings, Inc. | 45,019 shares | 1,528 |
| | Granite Construction Incorporated | 10,683 shares | 678 |
| | Granite Point Mortgage Trust Inc. | 25,836 shares | 458 |
| | Graphic Packaging Holding Company | 186,733 shares | 2,885 |
| | Group 1 Automotive, Inc. | 8,479 shares | 602 |
| | Gulfport Energy Corporation | 61,995 shares | 791 |
| | Hanmi Financial Corporation | 26,565 shares | 806 |

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| | | |
|--|----------------|-------|
| The Hanover Insurance Group, Inc. | 10,780 shares | 1,165 |
| Hillenbrand, Inc. | 16,053 shares | 718 |
| Huntington Ingalls Industries, Inc. | 2,547 shares | 600 |
| Huron Consulting Group Inc. | 24,337 shares | 985 |
| ICON Public Limited Company | 17,894 shares | 2,007 |
| INC Research Holdings, Inc. | 32,539 shares | 1,419 |
| Infinity Property and Casualty Corporation | 6,032 shares | 639 |
| Insight Enterprises, Inc. | 17,106 shares | 655 |
| Integra LifeSciences Holdings Corporation | 12,739 shares | 610 |
| Jagged Peak Energy Inc. | 99,063 shares | 1,563 |
| Jazz Pharmaceuticals plc | 8,234 shares | 1,109 |
| Jones Lang LaSalle Incorporated | 9,402 shares | 1,400 |
| KAR Auction Services, Inc. | 41,134 shares | 2,078 |
| Kosmos Energy Ltd. | 122,963 shares | 842 |
| La-Z-Boy Incorporated | 44,420 shares | 1,386 |
| LCI Industries | 18,238 shares | 2,371 |
| Leucadia National Corporation | 69,982 shares | 1,854 |
| LifePoint Health, Inc. | 28,735 shares | 1,431 |
| Lions Gate Entertainment Corp. | 17,883 shares | 568 |
| Lithia Motors, Inc. | 18,917 shares | 2,149 |

Table of Contents**Oracle Corporation****401(k) Savings and Investment Plan****EIN 54-2185193, Plan # 001****Schedule H, Line 4(i) Schedule of Assets (Held at End of Year) (Continued)****December 31, 2017**

| (a) | (b) | (c) | (e) |
|-----|--|--|------------------------------------|
| | Identity of Issue, Borrower, Lessor, or Similar Party | Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value | Current Value (in thousands) |
| | Maiden Holdings, Ltd. | 304,956 shares | 2,013 |
| | ManpowerGroup Inc. | 6,426 shares | 810 |
| | Marvell Technology Group Ltd. | 90,240 shares | 1,938 |
| | MAXIMUS, Inc. | 9,057 shares | 648 |
| | MFA Financial, Inc. | 210,711 shares | 1,669 |
| | Minerals Technologies Inc. | 26,080 shares | 1,796 |
| | MTGE Investment Corp. | 25,618 shares | 474 |
| | National General Holdings Corp. | 76,467 shares | 1,502 |
| | Navient Corporation | 176,668 shares | 2,353 |
| | Navigant Consulting, Inc. | 50,132 shares | 973 |
| | NCR Corporation | 49,717 shares | 1,690 |
| | Nelnet, Inc. | 25,328 shares | 1,388 |
| | NetApp, Inc. | 41,009 shares | 2,269 |
| | Olin Corporation | 19,740 shares | 703 |
| | ASGN Incorporated | 40,976 shares | 2,634 |
| | ON Semiconductor Corporation | 106,752 shares | 2,235 |
| | Owens-Illinois, Inc. | 42,669 shares | 946 |
| | Parsley Energy, Inc. | 102,917 shares | 3,030 |
| | Peapack-Gladstone Financial Corporation | 5,689 shares | 199 |
| | PolyOne Corporation | 7,071 shares | 308 |
| | Portland General Electric Company | 13,366 shares | 609 |
| | PQ Group Holdings Inc. | 96,752 shares | 1,592 |
| | PRA Group, Inc. | 20,184 shares | 670 |
| | QEP Resources, Inc. | 92,325 shares | 884 |
| | Qorvo, Inc. | 17,058 shares | 1,136 |
| | Radian Group Inc. | 95,329 shares | 1,965 |
| | Raymond James Financial, Inc. | 8,402 shares | 750 |
| | Realogy Holdings Corp. | 17,024 shares | 451 |
| | Reinsurance Group of America, Incorporated | 14,747 shares | 2,299 |
| | RPX Corporation | 87,587 shares | 1,177 |
| | RSP Permian, Inc. | 45,408 shares | 1,847 |

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| | | |
|--|----------------|-------|
| Scholastic Corporation | 9,228 shares | 370 |
| Schweitzer-Mauduit International, Inc. | 49,993 shares | 2,268 |
| Select Medical Holdings Corporation | 31,898 shares | 563 |
| Skechers U.S.A., Inc. | 74,293 shares | 2,811 |
| SLM Corporation | 281,546 shares | 3,182 |
| Standard Motor Products, Inc. | 13,700 shares | 615 |
| Starwood Property Trust, Inc. | 86,367 shares | 1,844 |
| Steel Dynamics, Inc. | 64,302 shares | 2,774 |
| Steven Madden, Ltd. | 51,538 shares | 2,407 |
| Stifel Financial Corp. | 44,763 shares | 2,666 |
| SunCoke Energy, Inc. | 148,116 shares | 1,776 |
| SVB Financial Group | 4,808 shares | 1,124 |
| Sykes Enterprises, Incorporated | 26,442 shares | 832 |
| SYNNEX Corporation | 13,405 shares | 1,823 |
| TEGNA Inc. | 29,544 shares | 416 |
| TTEC Holdings, Inc. | 62,459 shares | 2,514 |
| Tempur Sealy International, Inc. | 9,505 shares | 596 |
| Teradyne, Inc. | 26,937 shares | 1,128 |
| Tetra Tech, Inc. | 33,338 shares | 1,605 |

Table of Contents**Oracle Corporation****401(k) Savings and Investment Plan****EIN 54-2185193, Plan # 001****Schedule H, Line 4(i) Schedule of Assets (Held at End of Year) (Continued)****December 31, 2017**

| (a) | (b) | (c) | (e) |
|-----|--|--|------------------------------------|
| | Identity of Issue, Borrower, Lessor, or Similar Party | Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value | Current Value (in thousands) |
| | Torchmark Corporation | 7,452 shares | 676 |
| | Trinseo S.A. | 15,744 shares | 1,143 |
| | Tutor Perini Corporation | 52,430 shares | 1,329 |
| | Two Harbors Investment Corp. | 136,315 shares | 2,217 |
| | Universal Corporation | 22,040 shares | 1,157 |
| | Validus Holdings, Ltd. | 36,701 shares | 1,722 |
| | Valvoline Inc. | 85,880 shares | 2,152 |
| | Walker & Dunlop, Inc. | 70,285 shares | 3,339 |
| | WESCO International, Inc. | 44,076 shares | 3,004 |
| | White Mountains Insurance Group, Ltd. | 1,752 shares | 1,491 |
| | WildHorse Resource Development Corporation | 71,056 shares | 1,308 |
| | World Fuel Services Corporation | 129,722 shares | 3,650 |
| | Brown Brothers Harriman Short-Term Investment Fund | 6,096,951 shares | 6,097 |
| | | | 457,858 |
| | William Blair Small Mid Cap Growth Separate Account | | |
| | <i>Depository Receipts</i> | | |
| | NICE Systems Ltd. | 18,860 shares | 1,733 |
| | <i>Common Stock</i> | | |
| | 2U, Inc. | 48,660 shares | 3,139 |
| | ABIOMED, Inc. | 17,973 shares | 3,368 |
| | Adtalem Global Education Inc. | 81,656 shares | 3,434 |
| | Affiliated Managers Group, Inc. | 13,193 shares | 2,708 |
| | Arista Networks, Inc. | 10,697 shares | 2,520 |
| | Axalta Coating Systems Ltd. | 72,480 shares | 2,345 |
| | Ball Corporation | 108,870 shares | 4,121 |
| | Bank of the Ozarks | 82,180 shares | 3,982 |
| | Booz Allen Hamilton Holding Corporation | 110,413 shares | 4,210 |
| | BWX Technologies, Inc. | 102,273 shares | 6,186 |

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| | | |
|--|----------------|-------|
| Cable One, Inc. | 1,770 shares | 1,245 |
| Cambrex Corporation | 58,367 shares | 2,802 |
| Carrizo Oil & Gas, Inc. | 35,730 shares | 760 |
| Cboe Global Markets, Inc. | 25,019 shares | 3,117 |
| Celanese Corporation | 34,476 shares | 3,692 |
| Charles River Laboratories International, Inc. | 31,120 shares | 3,406 |
| Coherent, Inc. | 8,060 shares | 2,275 |
| Colliers International Group Inc. | 24,728 shares | 1,492 |
| Copart, Inc. | 161,830 shares | 6,989 |
| CoStar Group, Inc. | 19,597 shares | 5,819 |
| CSRA Inc. | 66,690 shares | 1,995 |
| DexCom, Inc. | 44,130 shares | 2,533 |
| Diamondback Energy, Inc. | 22,520 shares | 2,843 |
| Domino's Pizza, Inc. | 26,240 shares | 4,958 |
| East West Bancorp, Inc. | 27,270 shares | 1,659 |
| Encore Capital Group, Inc. | 57,476 shares | 2,420 |
| Euronet Worldwide, Inc. | 31,340 shares | 2,641 |
| Exact Sciences Corporation | 39,232 shares | 2,061 |

Table of Contents**Oracle Corporation****401(k) Savings and Investment Plan****EIN 54-2185193, Plan # 001****Schedule H, Line 4(i) Schedule of Assets (Held at End of Year) (Continued)****December 31, 2017**

| (a) | (b) | (c) | (e) |
|-----|--|--|------------------------------------|
| | Identity of Issue, Borrower, Lessor, or Similar Party | Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value | Current Value (in thousands) |
| | FirstCash, Inc. | 43,828 shares | 2,956 |
| | FirstService Corporation | 31,175 shares | 2,180 |
| | Glaukos Corporation | 45,893 shares | 1,177 |
| | Grand Canyon Education, Inc. | 41,550 shares | 3,720 |
| | Guidewire Software, Inc. | 54,440 shares | 4,043 |
| | HEALTHSOUTH CORP | 64,045 shares | 3,164 |
| | HEICO Corporation (HEI) | 40,802 shares | 3,225 |
| | Hexcel Corporation | 51,470 shares | 3,183 |
| | Hilton Grand Vacations Inc. | 76,611 shares | 3,214 |
| | Horizon Pharma Public Limited Company | 211,920 shares | 3,094 |
| | IDEXX Laboratories, Inc. | 14,230 shares | 2,225 |
| | j2 Global, Inc. | 27,181 shares | 2,039 |
| | Jones Lang LaSalle Incorporated | 19,913 shares | 2,966 |
| | Ligand Pharmaceuticals Incorporated | 29,734 shares | 4,071 |
| | Live Nation Entertainment, Inc. | 74,860 shares | 3,187 |
| | Martin Marietta Materials, Inc. | 20,660 shares | 4,567 |
| | MAXIMUS, Inc. | 51,060 shares | 3,655 |
| | MaxLinear, Inc. | 92,024 shares | 2,431 |
| | National Instruments Corporation | 56,529 shares | 2,353 |
| | Nu Skin Enterprises, Inc. | 19,167 shares | 1,308 |
| | OM Asset Management plc | 92,380 shares | 1,547 |
| | Repligen Corporation | 42,174 shares | 1,530 |
| | Rogers Corporation | 25,150 shares | 4,072 |
| | SiteOne Landscape Supply, Inc. | 33,150 shares | 2,543 |
| | Six Flags Entertainment Corporation | 76,429 shares | 5,088 |
| | Take-Two Interactive Software, Inc. | 31,960 shares | 3,509 |
| | Teledyne Technologies Incorporated | 17,890 shares | 3,241 |
| | The Dun & Bradstreet Corporation | 15,493 shares | 1,835 |
| | The Michaels Companies, Inc. | 138,822 shares | 3,358 |
| | The Middleby Corporation | 31,560 shares | 4,259 |
| | The Toro Company | 24,999 shares | 1,631 |

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| | | |
|--|-------------------|-----------|
| Tractor Supply Company | 34,950 shares | 2,613 |
| TransUnion | 64,190 shares | 3,528 |
| Universal Electronics Inc. | 39,970 shares | 1,889 |
| Vail Resorts, Inc. | 10,100 shares | 2,146 |
| Vanitiv, Inc. | 55,760 shares | 4,101 |
| Veeva Systems Inc. | 49,040 shares | 2,711 |
| Virtu Financial, Inc | 85,133 shares | 1,558 |
| West Pharmaceutical Services, Inc. | 23,370 shares | 2,306 |
| WEX Inc. | 30,890 shares | 4,363 |
| Yelp Inc. | 74,020 shares | 3,106 |
| | | 210,145 |
| Common/Collective Trust Funds: | | |
| Broad Market Bond I | | |
| Wells Fargo Core Bond II CIT EF1 | 22,181,271 shares | 235,122 |
| Loomis Sayles Core Plus Fixed Income Fund D | 16,133,218 shares | 235,222 |
| * Fidelity Contrafund Commingled Pool Class 2 | 97,298,004 shares | 1,554,822 |
| * Fidelity Growth Company Commingled Pool Class 2 | 62,411,462 shares | 1,188,314 |

Table of Contents**Oracle Corporation****401(k) Savings and Investment Plan****EIN 54-2185193, Plan # 001****Schedule H, Line 4(i) Schedule of Assets (Held at End of Year) (Continued)****December 31, 2017**

| (a) | (b) | (c) | (e) |
|-----|--|--|------------------------------------|
| | Identity of Issue, Borrower, Lessor, or Similar Party | Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value | Current Value (in thousands) |
| * | Fidelity Low-Priced Stock Commingled Pool Class 2 | 42,194,589 shares | 605,070 |
| | Vanguard Institutional 500 Index Trust | 17,230,200 shares | 1,784,360 |
| | Vanguard Institutional Extended Market Index Trust | 3,754,940 shares | 390,852 |
| | Vanguard Institutional Total Bond Market Index Trust | 3,762,399 shares | 376,052 |
| | Vanguard Institutional Total International Stock Market Index Trust | 1,508,070 shares | 154,562 |
| | Vanguard Target Retirement 2015 Trust Select | 2,449,968 shares | 84,965 |
| | Vanguard Target Retirement 2020 Trust Select | 12,390,189 shares | 439,976 |
| | Vanguard Target Retirement 2025 Trust Select | 13,157,202 shares | 474,449 |
| | Vanguard Target Retirement 2030 Trust Select | 15,958,061 shares | 581,671 |
| | Vanguard Target Retirement 2035 Trust Select | 13,292,169 shares | 490,082 |
| | Vanguard Target Retirement 2040 Trust Select | 11,321,130 shares | 421,599 |
| | Vanguard Target Retirement 2045 Trust Select | 6,454,380 shares | 241,975 |
| | Vanguard Target Retirement 2050 Trust Select | 4,226,513 shares | 158,367 |
| | Vanguard Target Retirement 2055 Trust Select | 2,435,672 shares | 91,216 |
| | Vanguard Target Retirement 2060 Trust Select | 1,172,321 shares | 43,915 |
| | Vanguard Target Retirement 2065 Trust Select | 28,967 shares | 651 |
| | Vanguard Target Retirement Income Trust Select | 3,212,367 shares | 108,835 |
| | Total investments, substantially all at fair value** | | \$ 15,329,938 |
| * | Notes Receivable from Participants | 4.25% - 11.50%, maturing through 2027 | \$ 86,132 |

* Indicates a party-in-interest to the Plan.

**

All investments were stated at fair value as of December 31, 2017 with the exception of one underlying investment of the Galliard Stable Value Fund, which is stated at contract value. Column (d), cost, has been omitted, as all investments are participant directed.

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INDEX TO EXHIBITS

Exhibit

| Number | Exhibit Title |
|---------------|---|
| 23.01 | <u>Consent of Independent Registered Public Accounting Firm</u> |

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the persons who administer the employee benefit plan have duly caused this annual report to be signed on their behalf by the undersigned hereunto duly authorized.

ORACLE CORPORATION

401(k) SAVINGS AND INVESTMENT PLAN

Date: May 25, 2018

By: /s/ PETER W. SHOTT
Peter W. Shott
Vice President of Human Resources