

Oracle Declines in Hardware, Software

Written by Marco Attard
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Oracle revenues drop by -1% Y-o-Y to \$9.0 billion for fiscal Q3 2013 as software, cloud and hardware divisions miss internal forecasts and current quarterly outlooks disappoint Wall Street.



Software licenses and cloud software subscriptions are down by -2% Y-o-Y to \$2.3bn, while hardware revenues crash by -23% Y-o-Y to \$671m. Reductions are also significant on a Q-o-Q basis, with Q2 2013 software subscriptions being \$2.389bn and hardware revenues \$734m.

According to Marketwatch Oracle expected software and cloud revenues to grow by 3-13% and hardware to fall by up to -10%.

The only positive for the company comes in the shape of 7% Y-o-Y growth in software licenses and product support (reaching \$4.34bn), thanks to customers switching to software-as-a-service technologies.

"In Q1 [2014] we will see a turnaround. Next year will be a big growth year for our hardware business," CEO Larry Ellison says. Oracle should ship SPARC T5-based servers from March 2013.

Ellison also suggests Q3 2013 hardware ASPs were impacted by the the lower end Exadata Database Machine.

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For fiscal Q4 2013, Oracle forecasts revenues to drop by -1-4% Y-o-Y

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