

Oracle says Justice Dept allows \$7.4B Sun deal

August 20 2009, By JORDAN ROBERTSON, AP Technology Writer

(AP) -- Business software maker Oracle Corp. said Thursday it has received the Justice Department's approval to move forward with its \$7.4 billion acquisition of former dot-com-era star Sun Microsystems Inc.

The deal still needs the go-ahead from the European Commission.

Clearance by the Justice Department had been held up over questions about the licensing of Java, a programming language that Sun invented that now runs on more than 7 billion <u>electronic devices</u> around the world, including cell phones and personal computers.

Another potential antitrust question could surround Sun's MySQL database, an open-source product. Some technologists worry Oracle could make MySQL a lower priority as it tries to boost sales of its market-leading database software.

Sun's performance had been shaky for nearly a decade before Oracle outbid IBM Corp. for the Santa Clara, Calif.-based company in April. IBM is one of Oracle's biggest database software rivals, and is a major Sun rival in computer servers.

The Sun acquisition will give Oracle more control over the development of Java, a key technology used in its products, and also thrust the Redwood Shores, Calif.-based company into hardware, a new area for Oracle.



The Justice Department's approval was largely expected. Even so, Sun shares rose 9 cents to \$9.36 in after-hours trading, moving closer to the \$9.50 per share that Oracle plans to pay for Sun. That indicates investors now see less chance of the deal being scuttled.

Oracle's stock rose 17 cents to \$22.11 in after-hours trading, having finished the regular trading session up 16 cents to close at \$21.94.

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