

EXHIBIT S

Business Case



January 7, 2005

THE BEST-RUN BUSINESSES RUN SAP 

SWOT Acquisition Analysis

Strengths

- Very short time to market for offering and announcing service offering
- "No frills" model makes sense for a segment of customers
- This company has two years of experience building a maintenance and support model
- Targeting stable and mature PSFT releases and limiting the complexity of the service, appears to be a successful model

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Weaknesses

- Management is not sophisticated
- Customers have been offered 10 year support terms, discouraging upgrade
- Solely focused on U.S./Canada market
- JD Edwards support practice is just starting
- TomorrowNow has limited experience supporting PSFT 8.x customers
- The bulk of TomorrowNow personnel are outside Austin, Texas
- The TomorrowNow model is not unique - a similar model could be replicated by another company

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Opportunities

- Oracle's deal assumptions are challenged by this support model - losing support revenue stream forces actions or reactions and is a distraction
- Oracle's legal challenges to TomorrowNow's ability to provide derivative works/support will require Oracle to also sue its customers - a difficult situation for Oracle
- There is a level of critical mass with expertise delivering a no frill support model, but scaling is heavily reliant of adding new headcount

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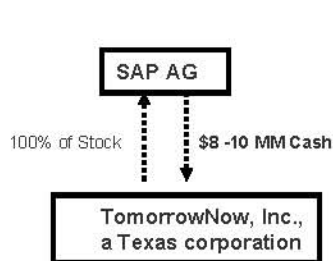
Threats

- The access rights to the Peoplesoft software is very likely to be challenged by Oracle and past operating issues may be a serious liability if Oracle challenges (i.e., offsite production copies and the form of delivery of regulatory updates may be subject to Oracle challenge)
- The "no frills"/lower cost model is at odds with SAP's maintenance model - this conflict will create issues among PSFT and SAP customers
- Its unclear if a "no frills" model is appealing to the broad PSFT customer base or the PSFT customer base that are most successfully converted to SAP

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Acquisition Structure, Due Diligence and Indemnities

Acquisition Structure



SAP AG, or a wholly-owned affiliate, acquires 100% of the stock of TomorrowNow, Inc., for cash, subject to representations and warranties of the stockholders and appropriate indemnities

SAP will leave Texas corporation in existence as a liability shield for any potential claims

Due Diligence

All offers would be non-binding and subject to complete due diligence, areas of primary concern and focus include:

Legal

A full and complete assessment of the legality of the service model and the method of delivery by internal and external counsel.

Financial

A full assessment of the financial results, accounting practices and internal controls, including an financial integration assessment and Sarbanes-Oxley internal control and reporting issues.

HR

A full assessment of the skills, salaries and benefits offered by the Company.