

# **EXHIBIT OO**

Message

From: Weber, Ina Daniela [/O=SAP/OU=EUROPE1/CN=RECIPIENTS/CN=000000049718]  
Sent: 7/22/2005 3:29:18 AM  
To: WALTER, CHRISTIAN [/O=SAP/OU=EUROPE2/CN=RECIPIENTS/CN=000000104626]  
CC: Ziemer, Thomas [/O=SAP/OU=EUROPE1/CN=RECIPIENTS/CN=000000042894]  
Subject: Safe Passage Updates  
Attachments: Apollo Program Update\_Leo.ppt; Safe\_Passage\_Update\_Board\_Meeting\_Paris\_Gerd.ppt  
Importance: High

Hello Christian:

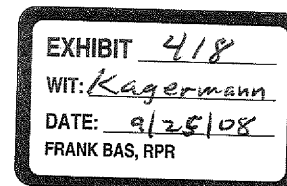
As discussed, here are the updates.



Apollo Program Safe\_Passage\_...  
Update\_Leo.ppt

Warm greetings,  
Thomas

**Thomas Ziemer**  
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SAP-OR00139918

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
Case #: 07-cv-01658-PJH  
PLNTF EXHIBIT NO. 0222  
Date Admitted: \_\_\_\_\_  
By: \_\_\_\_\_  
Nichole Heuerman, Deputy Clerk

Message

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**Importance:** High

Hallo Christian,

Wie besprochen, hier die Updates:



Apollo Program  
Update\_Leo.ppt



Safe\_Passage\_...

Viele Grüße  
Thomas

**Thomas Ziemer**  
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I, Imène Reda, hereby certify that the following documents are, to the best of my knowledge and belief, true and accurate translations from German into English.

**SAP-OR00139918**  
**SAP-OR00224503-5**  
**SAP-OR00225604**

*Imène Reda*  
Imène Reda

Sworn to before me this  
22nd day of September 2008

*Stephanie Dill*  
Signature, Notary Public

**Stephanie Dill**  
Notary Public, State of New York  
No. 01DI6180934  
Qualified in NEW YORK County  
Commission Expires Jan 22, 2012

Stamp, Notary Public



# **Apollo Competitive Program Update**

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# Status Report

**Key Messages:**

- ▶ Program management office initiated June 1.
- ▶ All WS level planning is complete.
- ▶ Operational planning and execution in process
- ▶ The first 120 days is phase 1 of Apollo
- ▶ All activities are on track and moving forward

Apollo Plan Component	Focus	Status
<b>4 Point Plan</b> (identified work streams)	■ Work Stream 1: SAP Applstructure Thought Leadership ( Graf, Burch, Heilmann)	🟡
	■ Work Stream 2: Industry & Segment Battlegrounds (Graf, Bradley)	🟢
	■ Work Stream 3: Convert Oracle Customers (Bradley)	🟡
	■ Work Stream 4: Accelerate DB Commoditization (Graf, Bradley, Kasey)	🟢
<b>Communication Strategy</b> (across all work streams)	■ Internal Communications (GC, CSO)	🟡
	■ External Communications (GC, CSO)	🟡
	■ Apollo SMI Site (CSO)	🟡
<b>Cross Topics</b>	■ Program Management System	🟢
	■ Global Rollout	🟡
	■ Budget	🟢
	■ Headcount & Personnel	🟡

✓ Completed

🟢 Activities on track, no critical issues

🟡 Work in progress; some critical issues, being resolved

🔴 Critical issues requiring intervention

⊙ Not yet started



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## Issue and Action Summary for Y Items

Work Stream	Issue	Action	Responsible	Timing
Industry Battle Grounds	Industries have not formed "attack teams" and have not aligned on attack priorities or plans	<ul style="list-style-type: none"> <li>Review attack plan status with Herzberg</li> <li>Apollo to drive Virtual team development</li> </ul>	Bradley Program Office	July 12 -- 20
Data Base	Data base teams completing analysis and determining Oracle contract position	<ul style="list-style-type: none"> <li>Continue to work with Graf/ Hess on coordinated DB strategy by segment</li> <li>Work with Klaey and AP team on Emerging Markets strategy</li> <li>CMI Anti-competitive practices analysis under development</li> </ul>	Mann	Plans by July 31
Program Management System	Program Office still going through start-up	<ul style="list-style-type: none"> <li>MCO to run weekly operational meeting</li> <li>Apollo to leverage CMI's Alert Operating processes for fast response</li> <li>Marketing Council to meet bi-weekly to drive more aggressive strategy/execution and address "aler!" alignment issues</li> </ul>	Hornish	Ongoing
Cross-topics	"War Chest" funding	<ul style="list-style-type: none"> <li>Budget request completed based on revised launch calendar and battle plans</li> </ul>	Mann	July 20

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## Apollo Accomplishments (First 30 Days)

### Apollo Launch at the NASSM

### Launch of Apollo Site on SMI

- ▶ June's Most Popular Assets on SMI report– The Apollo site had the ninth highest number of downloads in June – Site live for 10 days as of this metric

### Insertion of SAP in Oracle news streams

- ▶ Disruption of Oracle news stream resulting in broader dissemination of SAP positioning and dilution of Oracle Messages

### Three Apollo-created documents completed and issued

- ▶ Oracle – pricing and hosting,
- ▶ Oracle – “OFF SAP” Analysis and rebuttal
- ▶ Effective countering of the Oracle earnings announcement
- ▶ Effectively using CMI as the Apollo analysis “back-office”

### Launch of Safe Passage for Small and Midsize Enterprises and Safe Passage for Retail





## Sharpening The Razor

**Objective: Put a razor's edge on our messages and their delivery to the market thru development and aggressive execution of a comprehensive integrated attack plan**



## Sharpening The Razor (1)

Cornerstones	Description	Due
Integrated Marketing Communications Plans	<ul style="list-style-type: none"> <li>▶ Comprehensive plans to drive all positioning, messaging and activities to deliver the truth and the SAP message into the market</li> </ul>	August 1 (Draft Plans)
SAP Apollo Evangelists	<ul style="list-style-type: none"> <li>▶ To be proactive and take an offensive stance, it is critical that in addition to our key spokespeople we task a specific group of individuals with the responsibility of <i>evangelizing the truth</i> to the market and ensure Oracle will remain in reactive mode (<u>recommended evangelists</u>)</li> <li>▶ Apollo will promote speakers for market-facing speaking opportunities</li> </ul>	July 25 (Invite)
Message Calendar	<ul style="list-style-type: none"> <li>▶ We will focus the company on a particular topic and Attack Oracle relentlessly through all of our communication channels (sample messages, "<i>The Fusion Myth, Business Process Platform Realities</i>", "<i>SAP Market share realities etc...</i>")</li> <li>▶ Every employee will be aware of these messages and will drive thru their own channels, but the official spokespersons will be responsible for message delivery</li> <li>▶ After the market is thoroughly immersed in our messages, we will shift to a new topic forcing Oracle to react yet again</li> <li>▶ Ensures that Oracle remains in reactive mode</li> </ul>	August 5

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## Sharpening The Razor (2)

Cornerstones	Description	Due
Monthly Message Briefs	<ul style="list-style-type: none"> <li>▶ Delivery of message briefs to SAP executives, Apollo Evangelists and those responsible for our key communication channels</li> <li>▶ Briefs will provide the key messages and facts to drive Oracle attacks thus ensuring the entire organization is on message</li> </ul>	August 5 (August/Sept Messages)
External Speakers Bureau	<ul style="list-style-type: none"> <li>▶ Develop, promote and fund a small group of external market influencers (eg. Josh Greenbaum, Erik Keller, Geoffrey Moore, Ray Lane etc..)</li> <li>▶ Will deliver SAP-oriented business and technology messages in public forums and press engagements</li> </ul>	August 5
Rapid Response Analysis Team	▶ Apollo will manage content development and delivery for rapid response to the field, executives and evangelists to rebut false Oracle claims, as well as drive rapid assembly of SWOT teams to analyze Oracle's next moves, Virtual Team identification already in progress	August 1 (Design & Experts ID'd)
Disruptive Strategy	▶ Drive an aggressive approach to disrupting Oracle's database business (eg. Promoting open source, canceling reseller agreements, etc...)	Ongoing
Scenario War-Gaming	▶ CMI is driving an Oracle War-gaming exercise to develop a set of likely scenarios around market development, competitive pressures, acquisition strategies etc... that will then be tracked and regularly evaluated, PTG, CSO and CCT to participate	August 31



## Disruptive Strategy: Next Efforts (60 Days)

**Objective:** Its not enough to “just tell the truth.” SAP must aggressively attack Oracle’s business with a laser like focus on their database business. These workstreams are meant to focus the organization on this goal.

### Global Efforts

- ▶ Launch Apollo Globally
- ▶ Global Rollout of Sales Incentive program
- ▶ Pre-emptive analysis of SAP v. Oracle Earnings (to be released just after SAP's Earning's Announcement)

### Accelerate Database Commoditization

- ▶ Explore anti-competitive Oracle behavior and develop action plan Review and Develop DB bundling recommendations with PTG and Partner teams Messaging around the commoditization of the database within the IT Stack, focusing on the business process message as opposed to Oracle's data centric message

### Applistructure Thought Leadership

- ▶ Positioning SAP MDM v. Oracle – hard hitting responses for the field: collaborative PTG, CMI and Apollo document under development
- ▶ Development of a “Fusion Fobia” Document – highlighting all the Fusion myths and how to leverage them in a sales cycle -- externally developed piece
- ▶ Preemptive Apollo Event Response focused on Oracle's upcoming Fusion Tour in EMEA

### Safe Passage

- ▶ Development and launch of Safe Passage for HCM and Analytics
- ▶ Promote Sales Advisory Service RFP database and ValueMart to ensure all RFPs have hard hitting responses

### Key Industry and Segment Battlegrounds

- ▶ Finalized attack plans, for industries, HCM, Analytics and JDE mid-market manufacturing.



## Field Launch Plan

### North America – Complete

#### Launched with the following content

- Apollo Regional “Teaser” Email Campaign
- Pre-Packaged Apollo Launch Content to be Provided:
  - Act I. Opening Video “Lies” - 90 sec.
  - Act II. Regional President Opening Remarks – appx. 3 min. (Generic Content provided: Regional Context to be added)
  - Act III. Humorous “Greek Mythology” satire video - 2.5 minutes
  - Act IV. Léo Apotheke comments – appx. 8-10 mins. (Pre Recorded Taped Address - English)
  - Act V. Regional Apollo lead - regional program specifics and closing comments - 6 min. (Generic Content provided: Regional Context to be added)

Apollo will syndicate all content to the above content to the regions by 25 July

Apollo will provide tactical content support

Official launch date to be set by the individual regions with a strong recommendation to launch as soon as possible (contingent on local summer schedules)



## NA Sales Incentive Program

**Eligible roles: AEs all Business Units**

**The NA organization has created a sales incentive plan to drive the Apollo effort through the AE community**

### **Five separate categories for incentives**

- ▶ Applistructure – Referenceable net new NetWeaver customers
- ▶ Applications – Win applications deals over Oracle
- ▶ Safe Passage – Transition JDE/PSFT/Retek customers
- ▶ Databases – Expand the mix of third party databases sold
- ▶ "Trifecta" – Achieve any three of the four elements in ONE DEAL

**Next Steps: Global Rollout of Sales Incentive Program**



## Safe Passage Success

**Total Safe Passage Deals Won: – 21**

■ **US Safe Passage Deals – 11**

- ▶ Timken, Samsonite, Wabash National, Home Depot, Forest City, Amgen, ConocoPhillips, Goodyear (new), Pacific Gas & Electric, TriQuent Semiconductor, Ciber
- ▶ Over 200 deals in the North American Safe Passage pipeline currently

■ **EMEA Central – 4**

- ▶ Winkhaus Data Gmb, HYAZAKI Europe Limited, Veka AG, Altana Chemie AG

■ **EMEA News – 3**

- ▶ Unigrà S.p.A. (Italy), Al Gurg Group LLC (UAE), The Land Bank (South Africa)

■ **APA – 2**

- ▶ Telecom Malaysia, Unilab (Philippines)

■ **Latin America – 1**

- ▶ Femsa Empaque (Mexico)



## NA Win/Loss Summary

58 total OraSoft deals in Q1 (Q2 analysis due in 2 weeks) Oracle: 33 deals, PeopleSoft: 25 deals

SAP's win rate increased 12% for deals involving Oracle

Up 3% up against PSFT

SAP also saw dramatic increases in win rate for deals involving MSFT and i2.

SAP's win rate against Siebel decreased 9%.

SAP increased its win rate in 6 out of 12 solutions:

- ▶ CRM, Financials, PLM, SCM, Industry Solutions, and SRM.

Source: CMI

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## NA Win/Loss Summary

### Win/Loss Reasons as reported by the Sales Force and confirmed by CMI "After Action" Interviews

#### Wins

- ▶ Product Functionality and Product Technology continue to be the most prominent reasons in win deals by frequency of mention. Product Technology has seen the second largest decrease in mentions though.
- ▶ Vendor Perception is also important and has increased in frequency to be close to Product Technology and Product Functionality.
- ▶ Implementation had a heavy decline for the second period in a row.

#### Losses

- ▶ Needs Matching, Selling Technique, and Implementation are mentioned prominently.
- ▶ Pricing has fallen heavily in number of mentions.

#### Additional in-depth qualitative research on deals shows:

- ▶ Good references were a key factor in winning.
- ▶ Demos are very important and can outweigh Product Functionality and Technology.
- ▶ Of critical importance was SAP demonstrating that it understands both the prospect's needs and its business.

**Of the six industries with five or more deals in Q1 2005, Machinery, Engineering & Construction was the only one to increase over 20% in its win rate, while Retail was the only one to drop by more than 20%.**

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# Appendix

Workstream Details

NA Win/Loss Analysis IQ05 Details

NA Sales Incentive Program Details

Recommended Apollo Evangelists

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# 1 SAP Leadership/ Applistructure Thought Leadership

**Key Messages:**

- Continued thought leadership in both Net/Weaver and Applistructure
- Win the war for business leadership in the minds of customers and key influencers.
- Corporate View (all cross topics that influence SAP leadership e.g. licensing, M&A, market share, etc.)

Work Items/Objectives	Work stream #1 Categories	Status
<b>Create &amp; Drive the SAP Business and Applistructure thought leadership messaging platforms</b> PTG/GC/CSO	■ Create competitive-focused leadership messaging platform	Ⓢ
	■ Incorporate leadership concepts and 'focus into external communication channel' plans to drive leadership messaging (competitive focus)	Ⓢ
	■ Test & refine messaging and positioning with outside parties	Ⓢ
<b>Competitive Sales Program Starter Kit</b> CSO/PTG	■ Analyze Pipeline by Competition, Region, Industry, Determine call to action by Region, for Region	Ⓢ
	■ Competitive Sales Program Starter Kit	Ⓢ
<b>Arm the Field &amp; Communication Channels</b> Practical focused messaging, content, validation of SAP Execution, competitor weaknesses (corporate, leadership focus) (SAP View) CSO/PTG/GC	■ Identify & Package SAP differentiators and rebuttal points for Field & GC channels	Ⓢ
	■ Drive positioning & validation to field and through GC channels via various methods (SMI, Battle calls, RFP DB, Sales Advisory Service, GC Portal, etc)	Ⓢ
	■ Create and/or utilize targeted customer intelligence, references and stories	Ⓢ
<b>Uncover &amp; Debunk Competitive Sales &amp; Communication Tactics</b> (Competitive View) CSO/PTG/GC	■ Create and package a repository of current sales and communication tactics with facts, FUD and positioning	Ⓢ
	■ Incorporate into the GC channel plans, the means to deliver this information as input for story angles, competitor evaluations, alerts/reports, etc.	Ⓢ

Completed    
  Activities on track, no critical issues    
  Work in progress; some critical issues being resolved    
  Critical issues requiring intervention    
  Not yet started

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## Supporting Information – Items marked as

### *FYI Only - No Action Necessary*

- **Thought Leadership Messaging Platforms:**  
Communications plan to disseminate the information is not complete
- **External testing and refinement of messaging and positioning:** Materials not ready for externalization
- **Analyze Pipeline by Competition:** Apollo team headcount issue, team member started July 5, 2005
- **Utilize Targeted Customer Intelligence:** Process is In development, information is not readily available



Key Messages:

- Win Market Share in KEY battlegrounds: HCM, PS, Defense, IM&C, High Tech, Retail
- Arm the field and provide satellite coverage in key media outlets
- Initial focus is US, broaden to regions
- Traffic light status of Green to Yellow depicts difficulty in obtaining detailed product roadmaps (e.g., Retail)

Work Items Objectives	Work stream #2 Categories	Status
Plans of attack around the key market opportunities PTG/GC/CSO	■ Align wins with communication strategy for execution validation	⊙
	■ Feed attack teams with analysis and recommendations based on performance assessments, monthly market and competitive analysis and strategic reviews.	⊙
	■ Analyze Pipeline by Competition, Region, Industry	⊙
	■ Track Oracle actions & provide recommendations for short-term attacks re: acquisition intentions, key business drivers by battleground, media strategies.	⊙
Uncover & Debunk Competitive Sales & Communication Tactics PTG/GC/CSO	■ Identify and Package SAP differentiators and rebuttal points for Field & GC channels	⊙
	■ Create and/or utilize targeted customer intelligence, references and stories	⊙
	■ Create competitive wrappers for selected existing materials to provide focus & direction	⊙
	■ Deliver sales tools, techniques & targeted demos focused on competitive situation analysis – promote SAP, point out Oracle weakness' for exploitation	⊙
Deliver content, messaging, validation tailored by industry/solution against Oracle PTG/GC/CSO	■ Create and package current sales and communication tactics with facts, FUD and positioning	⊙
	■ Incorporate into the GC channel plans the means to deliver this information as input for story angles: competitor evaluations, alerts/reports, etc.	⊙
	■ Drive positioning & validation to field and GC channels via various methods competitor evaluations, alerts/reports, etc.	⊙

Completed    
  Activities on track, no critical issues    
  Work in progress, some critical issues being resolved    
  Critical issues requiring intervention    
  Not yet started



3

# Convert Oracle Customers via Safe Passage

**Key Messages:**

- Programs to drive conversion of Oracle customers to SAP
- Ensure that content and messaging is fresh and utilized by field and communication channels
- Initial Start – US, roll out by region underway, differentiate by battlegrounds

Work Items/Objectives	Work stream #3 Categories	Status
<b>Create the Starter or Program Refresh kits to enable and seed SP programs by battleground and/or region CSO/GC</b>	■ Create proposal for starter kit, validate with key stakeholders.	Ⓢ
	■ Get Regional/Industry Lead Assignment, work through decision processes.	Ⓢ
	■ Map out steps to refresh SP based on Initial feedback – tie in Mendocino/Analytics.	Ⓢ
<b>Arm the Field - Safe Passage Messaging and Content Management CSO/GC</b>	■ Gather customer and deal intelligence for the field	Ⓢ
	■ Create new and update existing content for the field to use to position SP.	Ⓢ
<b>Satellite Coverage – Communication Connection CSO/GC</b>	■ Identify & Package SAP differentiators and rebuttal points for field and communications channels (GC, Regional, Internal)	Ⓢ
	■ Drive positioning & validation to ALL communication channels	Ⓢ
	■ Create and or utilize targeted customer intelligence, references and stories	Ⓢ

✓ Completed

Ⓢ Activities on track, no critical issues

Ⓢ Work in progress: some critical issues being resolved

Ⓢ Critical issues requiring intervention

○ Not yet started



## Supporting Information – Items marked as



### *FYI Only - No Action Necessary*

- **Create new and update existing content for the field to use to position SP:** Efforts underway, regions are in different phases of readiness
- **Utilize Targeted Customer Intelligence:** Process is in development, information is not readily available






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## Accelerate Database Commoditization

**Key Messages:**

- Improve internal perception regarding database selection choices.
- Focus is on MaxDB, IBM DB2, MSft SQL Server, and the Oracle reseller agreement.
- Promote Open Source DB in emerging markets
- Localized execution is occurring, Strategic Global Planning still in process.

Work Items/Objectives	Work stream #4 Categories	Status
<b>Content Collection</b> PTG	■ Evaluate Partner commitments, strategies and approaches including reseller agreement assessments	<input checked="" type="checkbox"/>
	■ Analyze market drivers, key market segments, key features and opportunities	<input checked="" type="checkbox"/>
<b>Strategy Planning</b> PTG/CSO/GC	■ Gather intelligence (external and internal) regarding migration opportunities (region, industries), compensation drivers and go-to-market ideas	<input checked="" type="checkbox"/>
	■ Work collaboratively with partner organization during reseller negotiations and associated joint go-to-market discussions/planning	<input checked="" type="checkbox"/>
	■ Create plan that considers the internal and external issues including: revenue opportunities, perception management, go-to-market activities, special programs	<input checked="" type="checkbox"/>
<b>Project Execution</b> <b>Internal Awareness &amp; Perception Mgt</b> PTG/CSO/GC	■ Promote Open Source DB in emerging markets	<input checked="" type="checkbox"/>
	■ Roll out the plan component to improve internal perception including: education and communication, compensation incentives	<input checked="" type="checkbox"/>
	■ Utilize the data and information collected to create hard hitting responses that can be used in proposals and external communication	<input checked="" type="checkbox"/>
	■ Link with key programs such as Safe Passage	<input checked="" type="checkbox"/>
	■ In collaboration with SAP partner organization, develop the business cases with key partners to promote choice and differentiation based on segmentation	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/> Completed <input checked="" type="checkbox"/> Activities on track, no critical issues <input checked="" type="checkbox"/> Work in progress; some critical issues being resolved <input checked="" type="checkbox"/> Critical issues requiring intervention <input checked="" type="checkbox"/> Not yet started		
<small>SAP AG 2005, Apollo Competitive Program Z1</small> 		

## Supporting Information - Items marked as

### *FYI Only - No Action Necessary*

- Roll out the plan component to improve internal perception: Oracle Reseller Agreement not identified
- Utilize the data and information collected to create hard hitting responses that can be used in proposals and external communication: Effort underway, alignment taking time.





# North American WinLoss Analysis – 1Q 2005

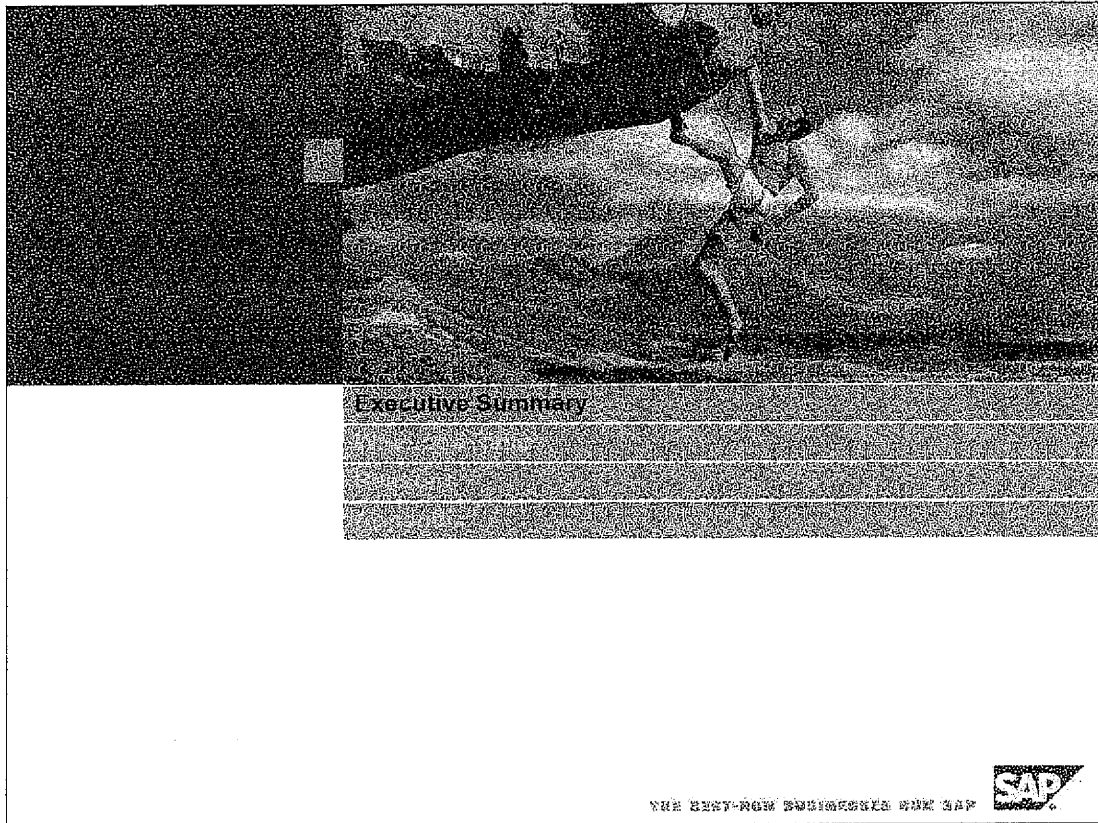
*May 2005*

Competitive & Market Intelligence  
Global Marketing, SAP AG

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## IN THIS STUDY

### Content of this Study

This study provides an overview of a top-down sizing of SAP's current and future relevant markets. It contains SAP's Market Landscape 2003 including Market sizes, shares and share performance as well as forecasts for 2004-2008. Historical revenues and shares are shown for the total worldwide market and as breakdowns by solution, industry, geographic, and customer size segments. Market forecast data are presented as total worldwide and by solution, region, and industry.

### Extension of previous Market Model

CMI is introducing a refined way of tracking and evaluating market sizes and growth forecasts:

In order to extend last year's rather focused view on SAP's Core Solution Segments ("Core Market" /

FI;HR;CRM;SCM;SRM;PLM) CMI is now tracking and analyzing quantitative & qualitative market information related to smaller competitors, industry-specific offerings (esp. for Services-related industries) and for Netweaver-related markets ("Adjacent Markets").

## Executive Summary

### Summary of key findings of CMI NA's evaluation of the Win/Loss results from Q1 2005 include:

- North America increased its win rate by 2% overall, in Q1 2005 as compared to the full year of 2004. The US decreased its win rate to 63% of deals (from 68% in full year 2004) while Public Sector and Canada both increased:
  - In 2004, Canada won slightly less than one-half (49%) but was up 64% in Q1 2005. Public Sector went from 30% in 2004 to 36% in Q1 2005.
- Oracle was the most frequent competitor, mentioned in 33 deals, while PeopleSoft was second with 25 deals. SAP's win rate increased 12% for deals involving Oracle and was 3% up against PSFT. It also saw dramatic increases in win rate for deals involving MSFT and i2. SAP's win rate against Siebel decreased 9%.
- SAP increased its win rate in 6 out of 12 solutions:
  - CRM, Financials, PLM, SCM, Industry Solutions, and SRM.
- **Reasons**
  - **Wins**
    - Product Functionality and Product Technology continue to be the most prominent reasons in win deals by frequency of mention. Product Technology has seen the second largest decrease in mentions though.
    - Vendor Perception is also important and has increased in frequency to be close to Product Technology and Product Functionality.
    - Implementation had a heavy decline for the second period in a row.
  - **Losses**
    - Needs Matching, Selling Technique, and Implementation are mentioned prominently.
    - Pricing has fallen heavily in number of mentions.
  - **Additional in-depth qualitative research on deals shows:**
    - Good references were a key factor in winning.
    - Demos are very important and can outweigh Product Functionality and Technology.
    - It is very important to show SAP meets the prospect's needs and understands its business.
- Of the six industries with five or more deals in Q1 2005, Machinery, Engineering & Construction was the only one to increase over 20% in its win rate, while Retail was the only one to drop by more than 20%.

Note: Q1 2005 results are based on a relatively small number of deals versus full year of 2004, so caution should be used in drawing conclusions. Deals are still being logged into CRM as either ORCL or PSFT.



## Win/Loss 1Q 2005 - Recommendations

Based on the Win/Loss data in this report, CMI makes the following recommendations to SAP America:

- Continue targeting Oracle/PeopleSoft in marketing efforts. It is likely to be even more competitive in 2005 as a result of the merger, aggressive marketing plans and focused campaigns to win against SAP.
  - Maintain Safe Passage and other campaigns to capitalize on Oracle's period of internal focus while integrating its acquisitions.
- Work to improve position in Public Sector by:
  - Influencing decisions prior to the release of the RFP.
  - Focusing on homeland security.
  - Using dedicated RFP resources and occasionally drawing from the commercial side.
- Improve demo quality by creating presentations which:
  - Show the solutions to their best advantage.
  - Emphasize how they meet customer needs, particularly industry specific functionality.
- Build depth in the salesforce with industry knowledge and thought leadership.



Competitive – Includes deals where the survey is in process (AE summary returned) or a completed survey was returned.

WinsLossesTotal Win Ratio  
US & Canada1359623158%  
US1187919760%  
Canada17173450%  
Consumer27103773%  
Manufacturing64309468%  
Public Services18314937%  
Services981753%

Competitive & Transactional Win Ratios (competitive, additional seats, upgrades, splits)

WinsLossesTotalWin Ratio  
US & Canada2009729767%  
US 1748025469%  
Canada26174360%  
Consumer41105180%  
Manufacturing953012576%  
Public Services26325845%  
Services1282060%

## Win/Loss 1Q 2005 – Recommendations (cont'd)

- Continue to develop its coverage range of references in its target areas.
  - These need to be specific to each targeted industry, in order to make them relevant to the prospects. The current relatively limited range is a weakness for SAP.
- Continue to sell on the basis of integration.
  - SAP has to counter Oracle's attempt to take this away with its integration to Applications Server and data hubs.
- Examine its selling process to be sure it is demonstrating its fit with customer needs and making a true connection with customers at both the user and executive levels.
  - This is especially important in accounts where we have had sales staff turnover and competitors could make inroads through developing better relationships.
- Continue to develop creative pricing strategies in deals where that is necessary.
  - Continue to emphasize the overall value of SAP, particularly if the customer has other SAP software or is likely to need other functionality, which would be an opportunity to save costs by using SAP software in the future.
  - Consider a hosting option as a counter to the hosting option Oracle provides as a standard part of its proposals.



Competitive – Includes deals where the survey is in process (AE summary returned) or a completed survey was returned.

Wins	Losses	Total	Win Ratio
US & Canada	13596	23158	58%
US	11879	19760	60%
Canada	1717	3450	49%
Consumer	2710	3773	72%
Manufacturing	6430	9468	68%
Public Services	1831	4937	37%
Services	981	1753	56%

Competitive & Transactional Win Ratios (competitive, additional seats, upgrades, splits)

Wins	Losses	Total	Win Ratio
US & Canada	20097	29767	67%
US	17480	25469	69%
Canada	2617	4360	60%
Consumer	4110	5180	79%
Manufacturing	9530	12576	76%
Public Services	2632	5845	45%
Services	1282	2060	62%

## Win/Loss 1Q 2005 – Recommendations (cont'd)

CMI also makes the following recommendations to SAP Global Development:

- Continue developing technology and functionality. These are key reasons SAP wins deals and we should continue to build this out, such as:
  - BI, which needs improvements in its ability to clean up customer data (SAP does not currently offer).
- Target Oracle from the product development side, such as improving SAP's SCM, to keep Oracle from catching up.



Competitive – Includes deals where the survey is in process (AE summary returned) or a completed survey was returned.

WinsLossesTotal Win Ratio  
US & Canada1359623158%  
US1187919760%  
Canada17173450%  
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Manufacturing953012576%  
Public Services26325845%  
Services1282060%



## Win/Loss Ratio 1Q 2005 vs 2004 - by Sales Organization

Overall, North America increased by 2% in win rate in Q1 2005. While the US decreased wins (from 68% in 2004) to 63% of deals, Public Sector and Canada both increased.

- In 2004, Canada won slightly fewer than one-half (49%) but was up to 64% in Q1 2005. Public Sector went from 30% in 2004 to 36% in 2004.

ORGANIZATION	2004 FULL YEAR			1Q 2005			
	DEALS	WIN	PERCENTAGE	DEALS	WIN	PERCENTAGE	
US	247	167	68%	78	49	63%	↓
Public Sector	74	21	30%	11	4	36%	↑
Canada	54	25	49%	11	7	64%	↑
North America	369	213	58%	100	60	60%	↑

Note: Q1 2005 results are based on a relatively small number of deals versus 2004, so caution should be used in comparing this data. Based on a total of 369 AE summaries in 2004 and 100 in 1Q 2005. Many deals are not competitive and therefore not included in Win Loss Data. "Win" means SAP won the deal. These figures are based on known deals and depend on accurate entries into CRM by the field.



Competitive – Includes deals where the survey is in process (AE summary returned) or a completed survey was returned.

WinsLossesTotal Win Ratio

US & Canada1359623158%

US1187919760%

Canada17173450%

Consumer27103773%

Manufacturing64309468%

Public Services18314937%

Services981753%

Competitive & Transactional Win Ratios (competitive, additional seats, upgrades, splits)

WinsLossesTotalWin Ratio

US & Canada2009729767%

US 1748025469%

Canada26174360%

Consumer41105180%

Manufacturing953012576%

Public Services26325845%

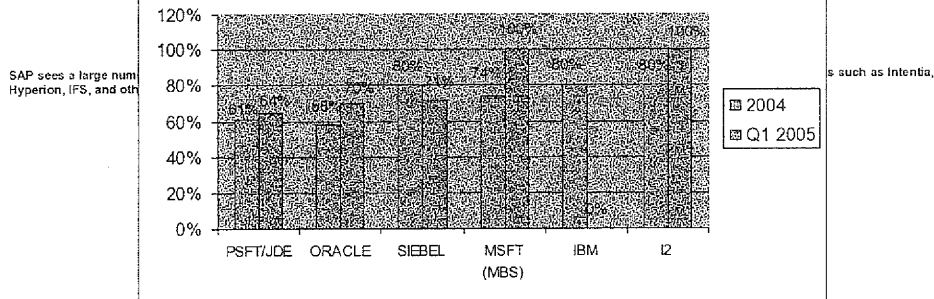
Services1282060%

## Win/Loss Ratio 1Q 2005 vs 2004 – by Major Competitor

Oracle is the most frequent competitor in Q1 2005, mentioned in 33 deals, while PeopleSoft is second with 25 deals.

- SAP has seen an increase in win rate for deals involving PSFT (3%) and an even higher increase against Oracle (12%). Others against which it has also seen dramatic increases in win rate, but which are based on a low number of deals are MSFT (3 total deals) and i2 (1 total deal). SAP has seen a decrease in win rate for deals involving Siebel (9%, based on 7 total deals). There was only one deal against IBM, which SAP lost.

SAP Win Rates Against Key Competitors



Note: Competitor data is based on 309 mentions in 2004 and 70 in Q1 2005. Q1 2005 results are based on a relatively small number of deals versus 2004, so caution should be used in comparing this data.

Mentions are fewer than overall deal total, since competitor information is not available on every deal. Information on other competitors is available on request from Win/Loss.

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Competitive – Includes deals where the survey is in process (AE summary returned) or a completed survey was returned.

WinsLossesTotal Win Ratio

US & Canada1359623158%

US1187919760%

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Canada26174360%

Consumer41105180%

Manufacturing953012576%

Public Services26325845%

Services1282060%



## Win/Loss – Reasons

### Reasons

- Wins
  - Product Technology and Product Functionality continue to be the most prominent reasons in win deals by frequency of mention. Product Technology has seen the second largest decrease in mentions though. In the last reporting period, it had actually had the highest increase.
  - Vendor Perception is also important and, after an increase in frequency in both this and the previous period, is close to Product Technology and Product Functionality.
  - Implementation has had a heavy decline for the second time in a row.
- Losses
  - Needs Matching, Selling Technique and Implementation are mentioned prominently.
  - Pricing has fallen heavily in number of mentions for the second time in a row.

Note: This is based on a four quarter rolling average ending the fourth quarter of 2004. A full year of data is used in order to have reliable information and there is currently no final 1Q2005 reason data due to the significant length of time it takes to get completed customer surveys.

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THE BEST-OF-BRAND PERFORMANCE REPORT



Competitive – Includes deals where the survey is in process (AE summary returned) or a completed survey was returned.

WinsLossesTotal Win Ratio

US & Canada1359623158%

US1187919760%

Canada17173450%

Consumer27103773%

Manufacturing64309468%

Public Services18314937%

Services981753%

Competitive & Transactional Win Ratios (competitive, additional seats, upgrades, splits)

WinsLossesTotalWin Ratio

US & Canada2009729767%

US 1748025469%

Canada26174360%

Consumer41105180%

Manufacturing953012576%

Public Services26325845%

Services1282060%

## Win/Loss Ratio 1Q 2005 vs 2004 - by Industry

In Q1 2005, a few industries had wide swings in their win rates when looked at compared to 2004.  
 Six industries had 5 or more deals, indicating major business areas and providing a high amount of data. One of these had a major increase in win rate (20% or more): Machinery, Engineering & Construction. One had a major decrease in win rate (20% or more): Retail.

INDUSTRY	2004 FULL YEAR			Q1 2005		
	DEALS	WINS	PERCENTAGE	DEALS	WINS	PERCENTAGE
Accounting & Finance	1	0	0%			
Aerospace	1	0	0%			
Automotive	1	0	0%			
Business Materials	1	0	0%			
Chemicals	1	0	0%			
Consumer Products	1	0	0%			
Financial Services	1	0	0%			
Food Products & Packaging	1	0	0%			
Healthcare	1	0	0%			
High Tech & Electronics	1	0	0%			
Higher Education	1	0	0%			
Hotels & Lodging	1	0	0%			
Insurance	1	0	0%			
Machinery, Eng. & Construction	1	1	100%			
Media	1	0	0%			
Medical Equipment	1	0	0%			
Oil & Gas	1	0	0%			
Pharmaceuticals	1	0	0%			
Primary Metals & Steel	1	0	0%			
Public Utilities	1	0	0%			
Retail	1	0	0%			
Service Providers	1	0	0%			
Telecommunications	1	0	0%			
Transportation & Storage	1	0	0%			
Utilities	1	0	0%			
Waste	1	0	0%			
Wholesale	1	0	0%			

Note: Based on a total of 369 AE summaries in 2004 and 100 in 1Q 2005.  
 Q1 2005 results are based on a relatively small number of deals versus 2004, so caution should be used in comparing this data.

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THE BEST-OF-BUSINESS PROGRAM



Competitive – Includes deals where the survey is in process (AE summary returned) or a completed survey was returned.

WinsLossesTotal Win Ratio  
 US & Canada 1359623158%  
 US 1187919760%  
 Canada 17173450%  
 Consumer 27103773%  
 Manufacturing 64309468%  
 Public Services 18314937%  
 Services 981753%

Competitive & Transactional Win Ratios (competitive, additional seats, upgrades, splits)

WinsLossesTotalWin Ratio  
 US & Canada 2009729767%  
 US 1748025469%  
 Canada 26174360%  
 Consumer 41105180%  
 Manufacturing 953012576%  
 Public Services 26325845%  
 Services 1282060%

## NA Apollo Approved Sales Incentive Program

**APOLLO INCENTIVE PROGRAM DRAFT**  
 Eligible roles: AE all Business Units

<b>Applstructure</b>	Referenceable net new NetWeaver customers	\$5000 \$7500 <u>\$1500</u> \$14,000	\$1000 Bonus for deals of \$250K-\$500K \$1500 Bonus for deals of \$500K - \$1M Additional \$500 special bonus for deals over \$1M	Net new customer with minimum deal size of \$250K allocated to NetWeaver or existing customer not currently live on NetWeaver, but with an active project or installation in CRM at minimum deal size. Customer must actively participate (minimum of 5 activities per month) in reference requests
<b>Applications</b>	Win applications deals over Oracle	\$140,000 <i>(Based on 40 qualifying deals closing in quarter)</i>	\$3500 Bonus each for <u>first 40 deals</u> to close in quarter (20 LE; 20MM) Minimum deal size to qualify: LE: \$1M license revenue MM: \$500K license revenue	Qualifying deals: SAP <u>replaces</u> Oracle applications in a given account, net new or existing. Must be documented in CRM and validated by Competitive Intel. AE must register deal with Mike Prosceno according to date of customer signature on agreement
<b>Safe Passage</b>	Transition JDE/ Pstf/Retek customers	No additional budget impact	Safe Passage incentives	Reissue Safe Passage bonus and quota credit
<b>Databases</b>	Expand mix of third-party databases sold OEM	\$10,000 (royalty reduction) <i>(Based on 5 MM MaxDB deals closing in Q3)</i>	2.5x revenue uplift credit toward license quota and commissions; applies to DB revenue only	IBM DB2 incentive to be replicated for MaxDB and potentially Microsoft SQL. Royalty-reduction based: IBM pays for DB2; Payment for MaxDB would be sourced thru a royalty reduction between AG and US. NEEDS FINAL APPROVAL.
<b>"Trifecta"</b>	Achieve any three out of four elements IN ONE DEAL	\$100,000 <i>(Assumes 10 deals will qualify in Q3 and Q4)</i>	Triple header bonus \$10K	Must meet criteria of each program element that applies

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## Safe Passage Regional Detail

### North America:

- ▶ Safe Passage educational events scheduled for July in US
- ▶ Safe Passage messaging included in upcoming SAP Business Forums and marketing campaigns in US
- ▶ Safe Passage revitalization campaign in development for Q3 launch for US and Canada
- ▶ **More than 200 Safe Passage pipeline opportunities identified in US**
- ▶ **13 Safe Passage pipeline opportunities identified in Canada**

### EMEA Central:

- ▶ Executed training and information days for internal education of Sales Force
- ▶ Executed direct marketing effort in Q2
- ▶ Developing a co-direct marketing effort with partners for Q3

### EMEA News:

- ▶ Regional direct marketing effort in development for Q3 launch

### Asia Pacific:

- ▶ Executed regional direct marketing effort with telemarketing component
- ▶ Focusing efforts on top seven countries: Australia, New Zealand, Singapore, Malaysia, Hong Kong, Taiwan, Japan
- ▶ **Anticipating between 5 and 10 license deals to be signed in 2005 with a goal of 6**
- ▶ **Potential for 3-5 TomorrowNow customers (maintenance only)**
- ▶ Top countries have approximately 5 accounts in an active sales cycle

### LATAM:

- ▶ Executed regional direct marketing effort with telemarketing and event components in Argentina with IBM; similar effort planned for Mexico in July
- ▶ **First deal, Femsas Empaque of Mexico, signed in June**
- ▶ Launching Safe Passage for SMB this Summer



## Recommended Apollo Evangelists Corporate/Regional

### Global

Henning Kagermann  
Leo Apotheker  
Shai Agassi  
Peter Zencke  
Werner Brandt  
Claus Heinrich  
Gerd Oswald

Marty Homlish  
Donna Troy  
Herbert Heltmann  
Bill Wohl  
Anne McCarthy

### EMEA NEWS/Central

Ernie Gunst  
Michael Kleinemeier  
Ferri Abolhassan  
Wolfgang Runge  
Jose Alberto Duarte  
Martin Metcalf  
Bart Hogendoorn  
Stefan Hirschberg

### APA/ Japan

APA  
Hans-Peter Klaey  
Ceraldine McBride  
Klaus Zimmer  
Fujii Kiyotaka  
Alan Sedghi

### NA & LATAM

North America  
Bill McDermott  
John Nugent  
Greg McStravick  
Bob Courteau

LATAM  
Raul Vejar  
Georgette Antelo





## Recommended Apollo Evangelists by Workstream

### AppStructure

Peter Graf  
Carol Burch  
George Paolini  
Pascal Crosset  
Dennis Moore  
Doug Merritt  
Ori Inbar  
Roman Bukary  
NetWeaver Advisor Group

### Industry and Product Battlegrounds

Jim Snabe  
Nils Herzberg  
Dick Stewart  
Tom Shirk  
Juergen Weiner  
John Barry  
Jim McMurray  
Ray Homan  
Thomas Balgheim  
Harald Hinderer  
Karen Peterson

### Safe Passage & Services

Mike Wendell  
Mughan Englund  
Kai Hessenmueller  
Seck Lin Hong  
Leighton Jenkins  
  
Bernd Michael Rumpf  
Bernd Wetzel  
Greg Tomlin

### Database Commoditization

Karl-Heinz Hess  
Torsten Goers  
Dennis Moore  
Doug Merritt  
Supplemented by Global Spokespeople





# Update on Safe Passage Program

Board Offsite Meeting in Paris  
July 21 – 22, 2005

Leo Apotheker / Gerhard Oswald  
SAP AG

THE NEXT-GEN BUSINESS NOW SAP

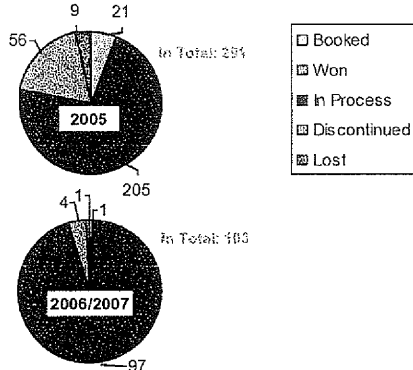


# Safe Passage - Update by July 15, 2005

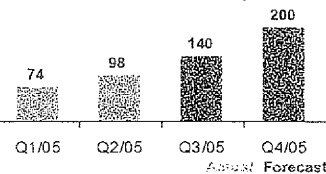
## KEY MESSAGE:

- ▶ Safe Passage pipeline steadily increasing since April, demand generation in execution in all regions since May
- ▶ 21 booked deals with net software value of € 35.6M
- ▶ TomorrowNow installed base grown to 98 customers, 26 new customers and 15 renewals within 1H/2005, 291 opportunities for 2005 (successfully executed demand generation program in EMEA and APA)
- ▶ In total € 8,5M maintenance contract volume taken away from Oracle within 1H/2005 (doubled contract volume of newly signed and renewed TomorrowNow deals)
- ▶ TomorrowNow ready for global delivery: Successfully established TomorrowNow locations in EMEA (Reading, UK; Amsterdam, NL) and APA (Singapore) in addition to the existing seven locations in North America

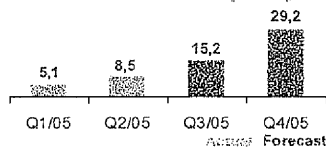
## SAFE PASSAGE PIPELINE:



## % OF CUSTOMER CONTRACTS (TOMORROWNOW):



## ESTIMATED YEARLY MAINTENANCE VOLUME TAKEN AWAY FROM ORACLE (in €M):



# BACKUP

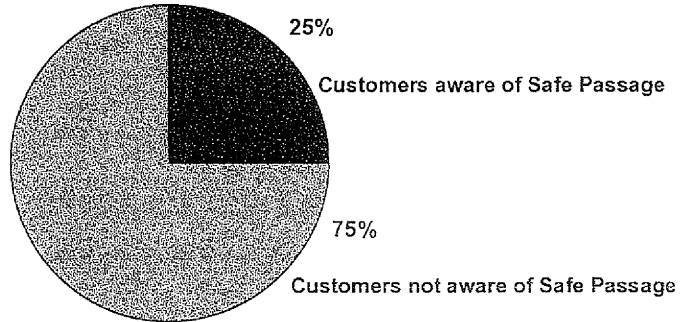
THE WESTERN ENGINEERING GROUP



## Safe Passage – Awareness Survey

**KEY INSIGHT:**

- Only 25% of the customers are aware of the Safe Passage campaign as of today



Source: to be verified

**RECOMMENDATION:**

- Launch an information campaign to increase awareness of Safe Passage among customer base



## Sale Passage - Pipeline View by July 15, 2005

### KEY MESSAGES

- ▶ Pipeline steadily increasing since April in most regions
- ▶ Demand generation campaigns are in execution in all regions since May
- ▶ Globally uniform Terms & Conditions in place
- ▶ Program extended to SME channel partners since June

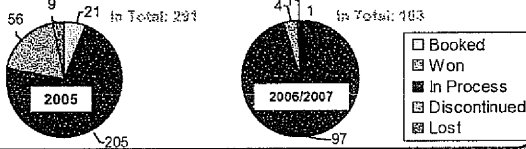
Region	# Opportunities and leads by phase* (Status: 15.07.2005)					
	A+B	C+D	E+F	Hot Leads	Warm leads	
APA	1		1	6	3	11
EMEA C	5	8	6		5	24
EMEA N	4	6	9	2	7	28
IA	1					1
NA	45	134	141	8	2	330
<b>Grand total</b>	<b>56</b>	<b>148</b>	<b>157</b>	<b>16</b>	<b>17</b>	<b>394</b>

\* Source: Closed Loop Marketing Report - All opportunities and leads assigned to the Global SP MAUI



# Safe Passage - Deals for Migration/Integration by July 15, 2005

## SAFE PASSAGE PIPELINE: Demand generation in execution since May



## SIGNED SAFE PASSAGE CONTRACTS: 21 deals with net software value of € 38.6M

Customer	Country	Volume	Date	PSFT/JDE	TNow
Redacted	USA	€ 2.7M	02/05	JDE	✓
	Germany	€ 1.0M	03/05	JDE	
	USA	€ 6.8M	03/05	PSFT	
	South Africa	€ 2.1M	03/05	PSFT	
	USA	€ 2.1M	03/05	JDE	
	Germany	€ 1.3M	04/05	JDE	✓
	Mexico	€ 0.1M	04/05	PSFT	
	Malaysia	€ 3.9M	05/05	PSFT	
	Germany	€ 0.9M	06/05	JDE	
	UAE	€ 0.2M	06/05	PSFT	
	Italy	€ 0.3M	06/05	JDE	
	USA	€ 5.4M	08/05	JDE	
	Philippines	€ 1.5M	08/05	JDE	
	Germany	€ 4.7M	06/05	JDE	
	USA	€ 1.1M	06/05	PSFT	
	USA	€ 0.1M	06/05	PSFT	✓
	USA	€ 0.8M	06/05	PSFT	
	USA	€ 0.6M	06/05	JDE	
	USA	-	06/05	PSFT	
	USA	-	06/05	PSFT	
	USA	-	06/05	PSFT	

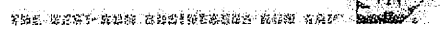
## KEY ACHIEVEMENTS MIGRATION/INTEGRATION

- Tool and content development planning for scope 1 and scope 2 delivery finished
- Proof of concept for intermediate data structure completed and legally approved
- First demo scenarios and presentations at Sapphire Copenhagen / Boston and other customer events
- Selection of key development partners and start of reseller/development contract negotiations
- Start of field & partner enablement program
- Start of lead generation program based on Safe Passage pipeline

## PARTNERS:

- | Development Partners              | Status      |
|-----------------------------------|-------------|
| ■ Informatica (reseller contract) | in progress |
| ■ iWay (development cooperation)  | in progress |
- 
- | Service Partners (Roll-Out) | Status      |
|-----------------------------|-------------|
| ■ Infosys                   | in progress |
| ■ Satyam                    | in progress |
| ■ HCL                       | in progress |
| ■ IBM                       | planned     |
| ■ Bearing Point             | planned     |
| ■ Cap Gemini                | planned     |

\* Global win announcements published  
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# Safe Passage - TomorrowNow by June 30, 2005

## KEY ACHIEVEMENTS TOMORROWNOW

- Successfully executed TNow Demand Generation Program in EMEA central and north, Australia / New Zealand and South Asia
- Approximately 300 Opportunities
- TNow Installed Base: 98 Customer Contracts
- 26 New Customers within 1H/2005
- In total € 4.0M newly signed Maintenance Contract Volume taken away from Oracle (doubled total Contract Volume)
- 15 Renewed Contracts within 1H/2005

## RENEWED TOMORROWNOW CUSTOMERS, (SAMPLE CONTRACTS FROM Q2)

Customer	Volume	Date
Redacted	€ 20.0K	06/05
	€ 28.0K	06/05
	€ 48.0K	04/05
	€ 25.4K	06/05
	€ 24.0K	04/05
	€ 24.0K	06/05
	€ 25.6K	04/05
	€ 26.0K	06/05
	€ 28.0K	06/05

## KEY ACHIEVEMENT TOMORROWNOW GLOBAL SET UP

Successfully established TNow locations in EMEA (Reading; UK, Amsterdam; NL) and APA (Singapore) in addition to the existing seven US locations (Bryan, Pleasonton, Denver, Dallas, Houston, Atlanta, Canada)

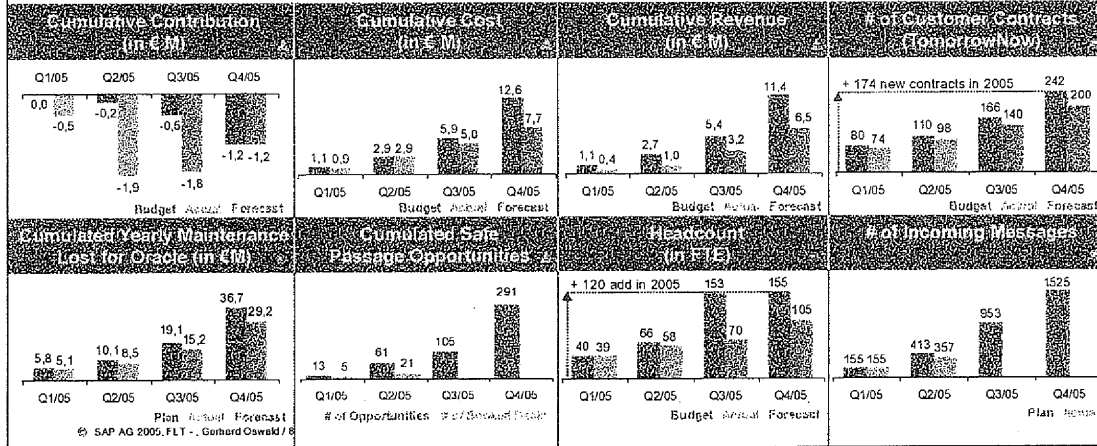
## NEWLY SIGNED TOMORROWNOW CUSTOMERS (TOTAL CONTRACT VOLUME € 2.2M)

Customer	Volume	Date	SAP
Redacted	€ 124.8K	02/05	Yes
	€ 112.0K	02/05	No
	€ 40.0K	03/05	Yes
	€ 44.0K	06/05	Yes
	€ 52.0K	06/05	Yes
	€ 64.0K	06/05	Yes
	€ 45.6K	06/05	Yes
	€ 60.0K	05/05	Yes
	€ 46.0K	05/05	Yes
	€ 60.0K	06/05	Yes
	€ 70.4K	06/05	No
	€ 24.7K	06/05	No
	€ 20.0K	06/05	Yes
	€ 128.0K	06/05	Yes
	€ 26.4K	06/05	Yes
	€ 154.5K	06/05	Yes
	€ 30.0K	06/05	Yes
	€ 66.0K	04/05	Yes
	€ 59.2K	04/05	Yes
	€ 60.0K	06/05	No
	€ 83.2K	06/05	Yes
	€ 50.8K	05/05	Yes
	€ 253.6K	06/05	Yes
	€ 75.6K	05/05	Yes
	€ 28.0K	06/05	Yes
	€ 208.0K	04/05	Yes



# TomorrowNow - Delivery Status June 30, 2005

KPI	Status	Comment
Contribution	⚠	Lower than anticipated in Business Plan, but target still achievable
Cost	⚠	Cost partly cut and shifted to Q3/Q4 according to revenue shifts
Revenue	⚠	Lacking behind original Business Plan in Q1/Q2 due to lower Safe Passage demand generation
# of Customer Contracts	🎯	24 new customers and 9 renewals in Q2, average deal size is increasing
Lost Maintenance for Oracle	🎯	Cumulated yearly volume of signed and renewed TomorrowNow maintenance contracts
Safe Passage Opportunities	⚠	Based on Safe Passage Pipeline reporting; 21 booked deals with net software value of € 35.6M
# of Headcount	🎯	Below plan, adapted to lower revenue numbers
# of Incoming Messages	🎯	Below plan according to lower customer numbers



## Safe Passage - Tomorrow/Now by June 30, 2005

### KEY ACHIEVEMENTS TOMORROW/NOW CUSTOMER CONTRACTS

- **TNow Installed Base by end of June 2005:** 98 Customer Contracts (~300 opportunities)
- **24 new customers within Q2/2005:** e.g. Rolls-Royce North America Inc., Computer Associates International, Inc., Sybase, Inc., Epiphany Marketing Software Incorporated, Safeway Stores, CIBER, Inc.,
- **9 renewals within Q2/2005:** e.g. Praxair, Inc., City of Atlanta, Heritage Valley Health System
- **In total 3,4 mio EUR newly signed maintenance contract volume taken away from Oracle in Q2**
- **Successfully executed Demand Generation Program** in EMEA central and north, Australia / New Zealand and South Asia

### KEY ACHIEVEMENTS TOMORROW/NOW INTEGRATION PROCESS

- **Successfully established TNow locations** in EMEA (Reading; UK, Amsterdam; NL) and APA (Singapore) in addition to the existing seven US locations (Bryan, Pleasanton, Denver, Dallas, Houston, Atlanta, Canada)
- **155 originally planned and 105 forecasted TNow Headcounts** for 2005, distributed as follows:

		Q1		Q2		Q3		Q4	
		Budget	Actual	Budget	Actual	Budget	Forecast	Budget	Forecast
US		40	39	15	15	18	2	11	9
EMEA	Amsterdam (NL)			2	1	8	3	5	2
	Reading (UK)			5	3	7	5	5	4
APA						10	2	18	20
Latin America								18	
SUM		40	39	22	19	46	12	64	35
Total SUM*		40	39	66	58	163	70	165	105

\* data cumulated

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## Service Offerings for PSFT<sup>®</sup> Customers

### STANDARD SERVICES

#### Maintain

Global Support provided by TomorrowNow as an independent entity

#### Integrate

Connectivity for smooth integration of PeopleSoft with SAP (CRM, SCM, MDM)

#### Migrate

Out-of-the-box migration tools  
PeopleSoft master data and outstanding items

### CUSTOMER BENEFITS

#### Investment Protection

- Service Portfolio
- Safe Passage
- Interoperability
- Optimization of Support
- Save of Service Spendings

#### Business Innovation

- Incremental Deployment
- Increased Value
- Functional Enhancements
- Composite Applications
- Innovative Solutions

#### Take Control of Your Future

- Higher Efficiency
- Reduced TCO
- Optimized Processes
- Trusted Advisor
- Reliability

\* Including PSFT Enterprise; PSFT EnterpriseOne; PSFT World

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PSFT is a registered trademark of PeopleSoft Corporation.



Our offering provides a portfolio of tools of our customers to help mitigate the risk Oracle has injected into their IT portfolios. Ranging from maintenance that is 5 pts lower than Oracles and 3 pts lower than PSFT's. We plan on greatly expanding this selection of collaboration and conversion tools and facilitate the adoption of SAP solutions.

# Safe Passage Maintenance Services

## Maintenance Services

Global 24x7 problem resolution
Tax & Regulatory Updates
Senior Primary Support Engineer
Operational Risk Assessment
Application Fixes for Serious Issues
Current & Retired Releases

### TNow Value Proposition

- Reduced Support Needs
- Meets Current & Anticipated Needs
- Stable Technology; Robust Functionality
- Oracle Fusion: 5+ Years Until Proven, Stable, Robust Release
- Carefully Evaluate Upgrade & Ongoing Maintenance Spend Options
- 17% Safe Passage Program
- 10% Parking Lot

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## Service Offerings

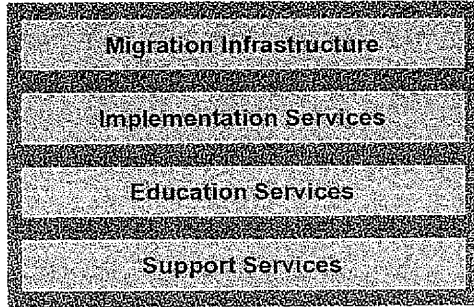
Standard Offering	Availability
Alternative for PSFT/JDE customer not willing to sign Safe Passage Deal. Based on 50% of prior PSFT/JDE maintenance fees	Jan 2005
Bundled Offering	Availability
17% Maintenance fee, based on SAP License including Conversion Credit. TomorrowNow offering embedded for zero Dollars	Feb 2005
Global TNow Centers	Foundation
North America	Jan 2005
▪ Dallas, Pleasanton, Denver ▪ Dallas, Houston, Atlanta, Toronto	
EMEA	May 2005
▪ Reading/UK, Amsterdam, NL	
APA	Jun 2005
▪ Singapore, Bangalore, IN	
RoW	Oct 2005

THE BEST-VALUE BUSINESS PARTNER



# Safe Passage Migration Services

## Migration Services



### SAP Value Proposition

- Global delivery capabilities
- Integrated Services
- Standardized Offering
- Integrated Quality Control
- Risk Mitigation
- Reduced Time-to-Value
- Reduced TCO; up to 75% reduction of implementation time

## Migration Infrastructure & Content

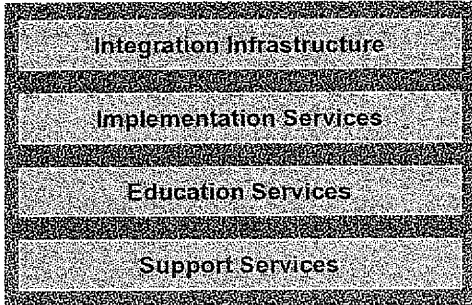
SAP Migration Workbranch	Availability
■ Basic Functionality	available
■ Enhanced Functionality	15.09.2005
■ Full-Scope Functionality	April 2006
SAP Migration Workbranch	Availability
■ JDE Validation	01.09.2005
■ PSFT Validation	01.09.2005
SAP Migration Workbranch	Availability
■ Operations	19.12.2005
■ Vendor Master	
■ Material Master	
■ Customer Master	
■ etc.	
■ Human Capital Management	19.12.2005
■ Organizational Assignment	
■ Personal Information	
■ Basic Pay	
■ etc.	
■ Financials	19.12.2005
■ G/L Account Master	
■ Cost Center Master	
■ etc.	
SAP Migration Workbranch	Availability
■ iWay	01.10.2005
■ Informatica	01.10.2005



# Safe Passage Integration Services

## Integration Services

## Integration Infrastructure & Content



### SAP Value Proposition

- Global delivery capabilities
- Integrated Services
- Standardized Offering
- Integrated Quality Control
- Risk Mitigation
- Reduced Time-to-Value
- Reduced TCO: up to 50% reduction of implementation time

SAP Integration Tool	Availability
■ SAP Exchange Infrastructure JCA Framework	available
SAP Intermediate Interfaces	Availability
■ JDE Validation	01.09.2005
■ PSFT Validation	01.09.2005
SAP Integration Services	Availability
■ Business Partner Data Mgmt	19.12.2005
■ Product Data Management	19.12.2005
■ Purchase Request Processing	19.12.2005
■ Purchase Order Processing	19.12.2005
■ Inbound Delivery Processing	19.12.2005
■ Outbound Delivery Processing	19.12.2005
■ Sales Order Management	19.12.2005
■ Goods and Service Acknowledgement	04.2006
■ Accounts Payable Processing	04.2006
■ RFQ Processing	04.2006
■ Return Processing	04.2006
■ Goods Issue Processing	04.2006
■ Goods Movement Processing	04.2006
■ Supply and Demand Matching	04.2006
■ Transportation Management	04.2006
■ Warehouse Processing	04.2006
On-Prem. Adapter Content	Availability
iWay	01.10.2005

