|	
From:	Judith Sim [judith.sim@oracle.com]
Sent:	Wednesday, January 26, 2005 11:19 PM
To:	Safra Catz; Phillips,Charles; HARRY_YOU; JUERGEN,ROTTLER; Rozwat,Charles; Screven,Edward; Wookey,John
Cc:	Fletcher,Alan; Doug Renert; Neeracha Taychakhoonavudh; Paul Salinger; Jenny Gelhausen; Bicho,Jennifer; JIM,APOSTOLIDES; Glueck,Kenneth; Douglas Kehring
Subject:	FINAL: Financial Analyst Day Presentations
Attachments:	Catz_Final.ppt; Ellison_Final.PPT; Phillips_Final.ppt; Rottler_Final.ppt; Rozwat_Final.PPT; Screven_Final.PPT; Wookey_Final.PPT; You_Final.ppt; You_Intro_Final.PPT

Catz_Final.ppt   Ellison_Final.PPT   Phillips_Final.ppt   Rottler_Final.ppt   Rozwat_Final.PPT   Screven_Final.PPT   Wookey_Final.PPT

You_Final.ppt   You_Intro_Final.PPT
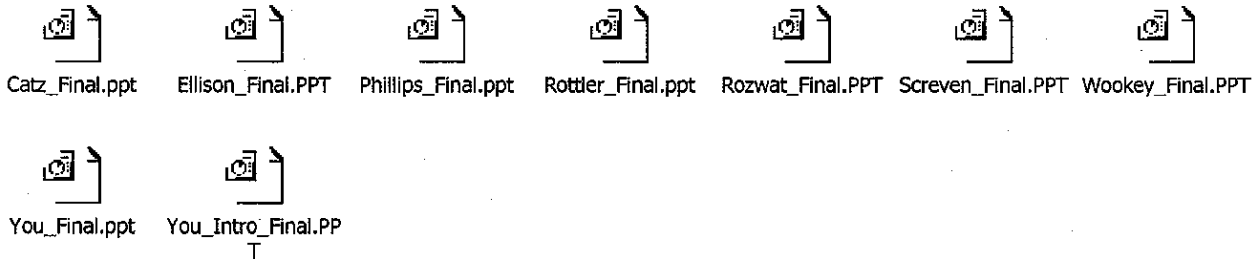
Here are the final slides that were presented today.

Thank you,
Judy

Catz
Exhibit 228
3-27-09
Holly Thuman, CSR

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Page 1
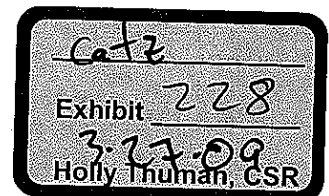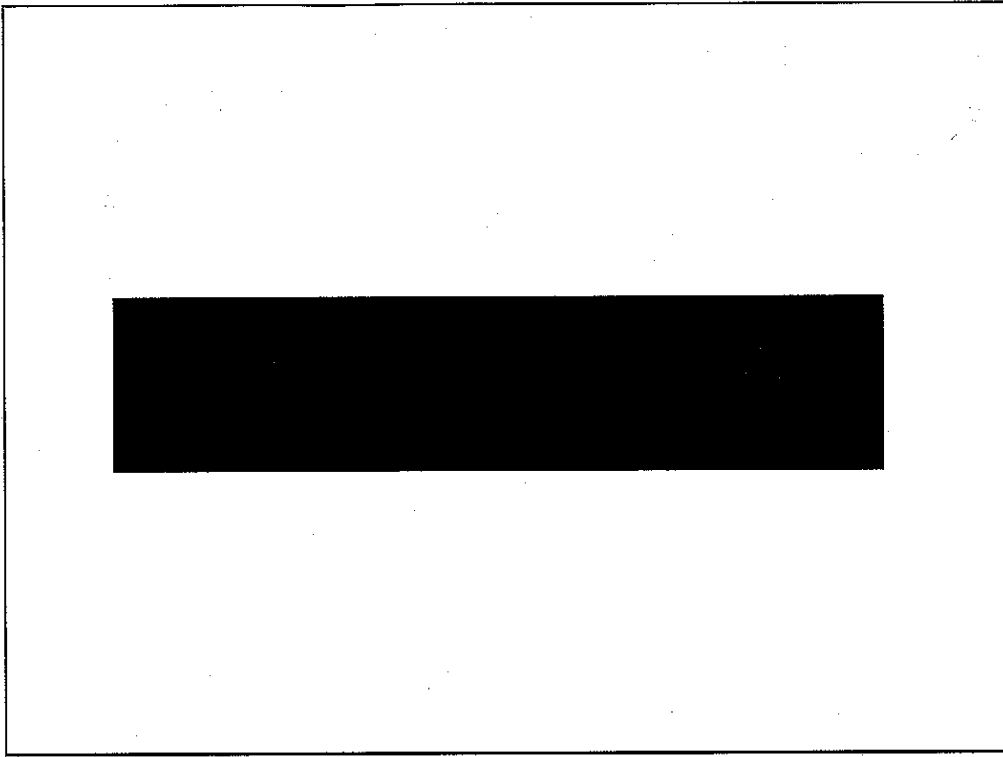
Safra Catz
Oracle Corporation

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Integration Goals

- Complete the integration quickly
- Communicate extensively with all constituents
- Maintain critical mass of PeopleSoft development and support organizations
- Provide certainty and continuity for customers
    - Establish comprehensive product roadmap for Oracle, PeopleSoft, JD Edwards, Project Fusion applications
    - Extend partner relationships (i.e., IBM, Accenture)
- Utilize Oracle's global infrastructure for operations
- Achieve headcount and financial targets

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Key Dates in Integration Process

- Nov 1 – Ramped-up integration planning activity
- Dec 13 – Announced signing of definitive agreement
- Dec 15 – Launched joint integration process
  - Early focus on due diligence and discovery
  - Completed work plans for each functional area
  - Work plans approved by executive team and have served as roadmaps to integration process
- Dec 28 – Change of control with 75% of shares tendered
- Dec 29 – Effectively "Day 1" for combined companies
  - Immediately implemented Oracle policies and procedures

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Integration Progressing Rapidly

- Jan 3 – Initiated customer, partner and user group outreach (+5 days)
- Jan 14 – Completed apps org structure (+16 days)
  - Announced combined workforce of approx 50,000
- Jan 18 – Global product launch (+20 days)
  - 48,550 attendees (live, webcast, phone)
- Jan 26 – Financial analyst day (+28 days)
- Jan 29 – Sales kickoff, training and orientation for PeopleSoft field organization (+31 days)
- Ongoing integration activities:
  - Complete balance of workforce reductions
  - Relocate employees and consolidate facilities
  - Merge legal entities
  - Migrate data and transactional processing systems
  - Consolidate sales/channels policies and procedures

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Focus on Rationalizing Operations

- Consolidation over diversification yields significant cost savings
- Business operations integration, not software code integration
- Nearly identical businesses, which Oracle knows how to run at very high margins
- Oracle's global infrastructure scales well and has capacity to handle the increase in volume
  - PeopleSoft's operational infrastructure is largely redundant
- Retention of key employee constituents for continuity, consistency and innovation
  - Plan to retain 90% of PeopleSoft R&D and support personnel
 - "Cultural" issues overstated
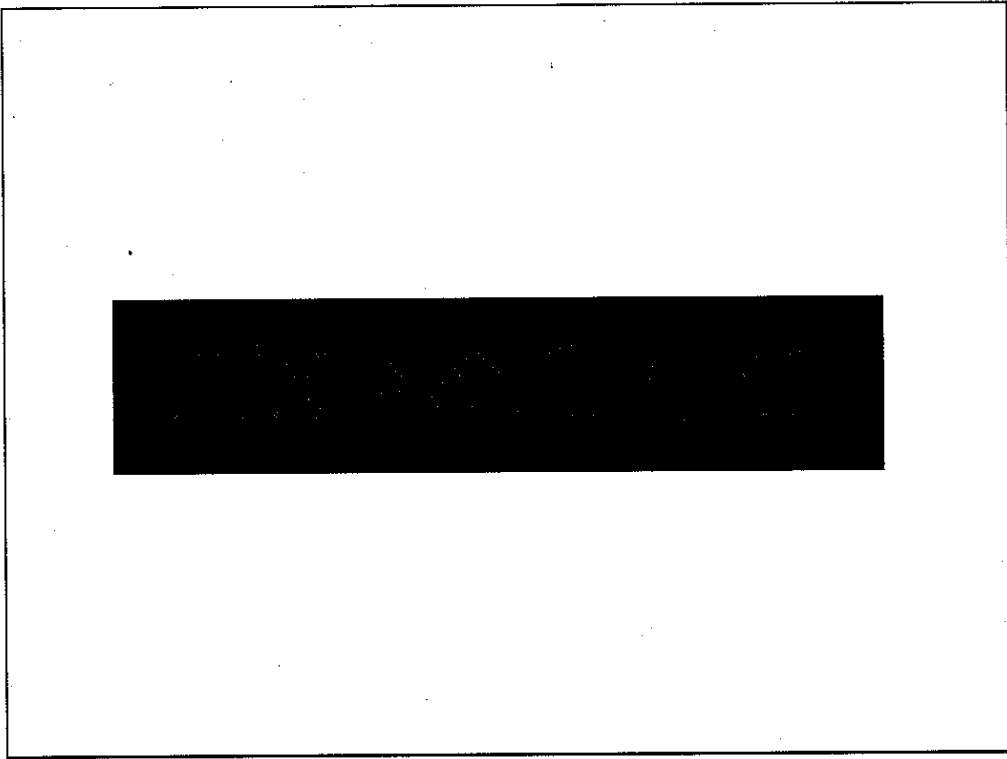
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Focus on Customer Retention

- No material issues anticipated
- Support infrastructure unchanged
- Most PeopleSoft Enterprise customers recently completed architectural upgrade from version 7 to version 8
- Oracle commitments include plans to:
    - Enhance and support PeopleSoft Enterprise, JD Edwards EnterpriseOne and JD Edwards World until 2013
    - Deliver subsequent versions of Enterprise and EnterpriseOne
    - Extend EnterpriseOne support to Feb 2007 for versions XE and 8.0
    - Maintain currently supported hardware, databases and operating systems
- Compelling Project Fusion applications suite delivered by 2008
    - No charge for Oracle and PeopleSoft customers on current support

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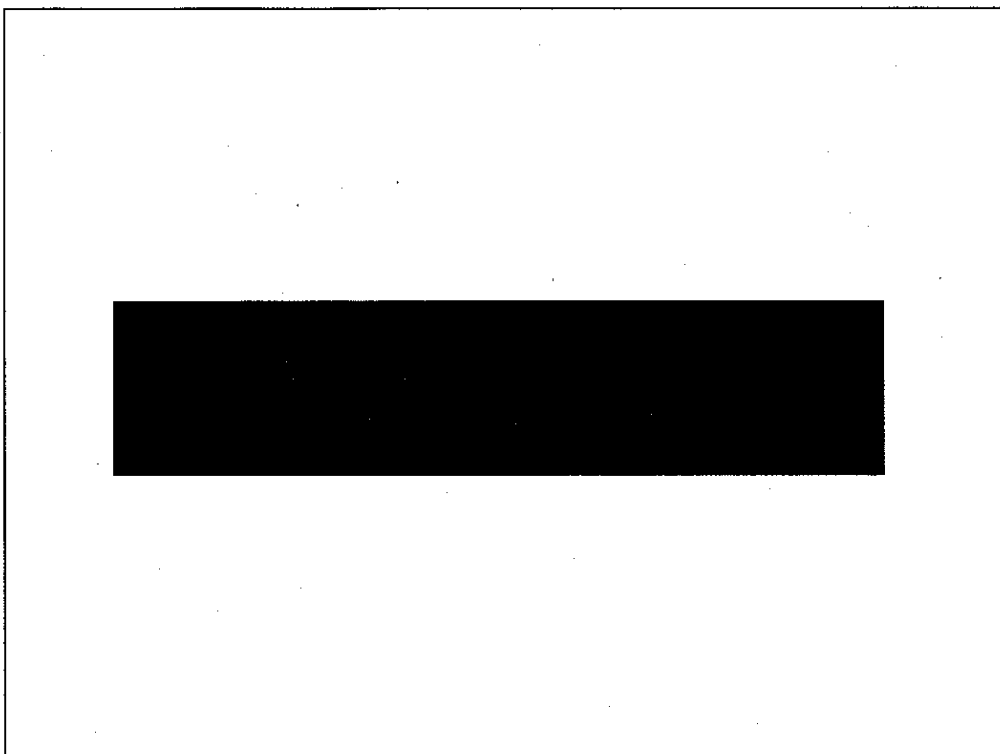
Larry Ellison
CEO
Oracle Corporation

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Oracle 5 Year Growth Plan

- Organic EPS Growth: 15% per year
- Additional Growth via Acquisition

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FY05 & 06 Forecast Ahead of Plan

- Pro Forma EPS Targets:
    - FY05 EPS up 24% to 62 cents
    - FY06 EPS up 22%-28% to 76-80 cents

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Organic EPS Growth

- Current Product Innovation
  - Database Grids
  - On Demand Applications
- New Product Innovation
  - Collaboration Suite
- Subscriber Base Expansion
  - Reshaping our Business

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Subscriber Base Expansion

- Highest Margin Business
- Increasing Percentage of Total Revenue
- Drives Operating Margin to 50%
- 8% Annual EPS Increase Built-in

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Acquisitions Drive EPS Growth Past 15%

- Faster Subscriber Base Growth
- Faster Direct Sales Force Growth
- Faster Partner Network Growth
  - Integrators: IBM, Accenture
  - Distributors : JD Edwards VARs

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Economies of Scale

- Key to Profitability in Software Business
  - Microsoft Best Example
- More Customers Enable
  - Invest More & Charge Less

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Software Product Market Scale

- #1 Database
- #2 Applications Server
- #2 Applications
  - #1 North America
  - #1 Banking, Healthcare, etc.
- Collaboration Suite
  - New Product Category
  - Content Management, Conferencing, Email, etc.

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#1 Makes More Money

- Become #1 in Application Servers
  - Organic & Acquisition
- Become #1 in More Application Industries
  - Organic & Acquisition
- Strengthen #1 Position in Database
  - Grid is the Key

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Database Share Increase – Grids

- Cost
- Performance
- Reliability

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Applications – PeopleSoft & Project Fusion

- ## Continuity
  - Continue Developing 3 Existing Applications Product Lines
- ## Innovation
  - Develop Merged Applications Product Suite
- ## Resources
  - 90% of PeopleSoft Tech Staff Retained

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Continuity

- Continue Enhancing Three Product Lines
  - PeopleSoft   Finish 8.9   &   Start 9.0
  - JD Edwards   Finish 8.11   &   Start 8.12
  - Oracle   Finish 11i.10 &   Start 12.0
- Using Current Development Tools and Technology

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Continuity

- Support PeopleSoft Product Lines until 2013
- Support IBM and Microsoft Database Technology
- Support IBM and BEA Middleware

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Innovation

- Develop Merged Product Suite
  - Standards Based Tools and Technology
    - HTML/DHTML User Interface
    - Java Development Environment
    - Service Oriented Architecture

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Innovation

- Information Oriented Applications
- Process Automation Applications
- On Demand Built into the Architecture

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Resources

- Development Team of 8,000+
    - 90% of PeopleSoft's Applications Developers
        - 3,000+ People
    - Plus Oracle's Applications Developers
        - 5,000+ People
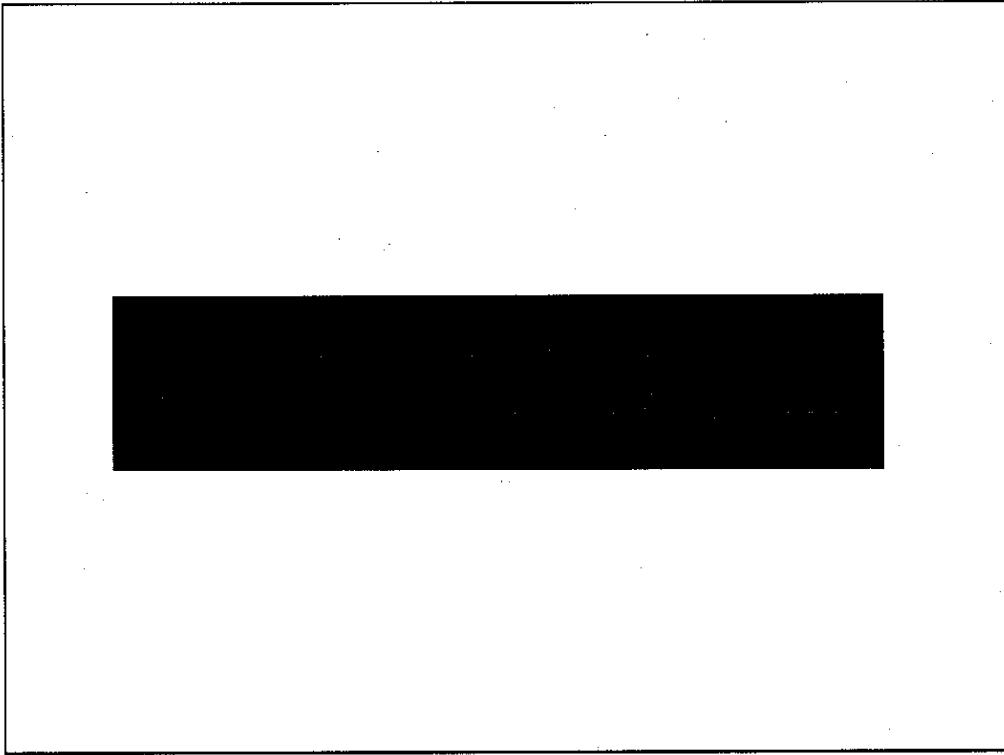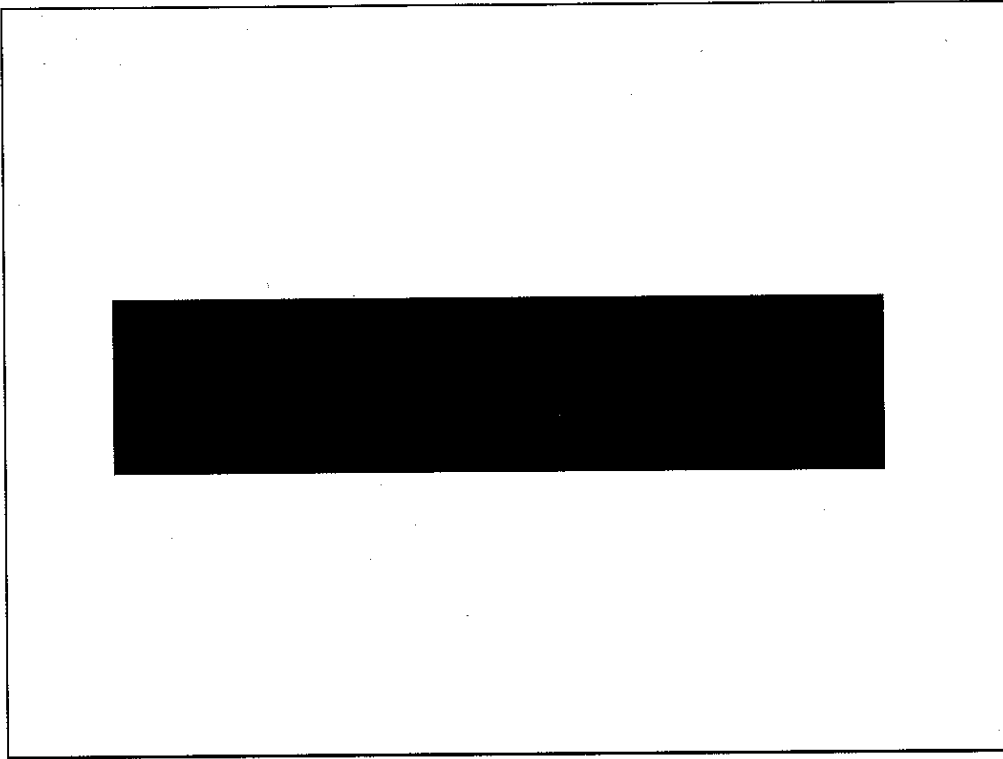   - Plus Database and Applications Server Teams

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Resources

- 90% of PeopleSoft's Applications Support Staff
- Plus Oracle's Applications Support Staff

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Charles Phillips
President
Oracle Corporation

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Key Oracle Strategies

- Information
- Standards
- Applications + Infrastructure

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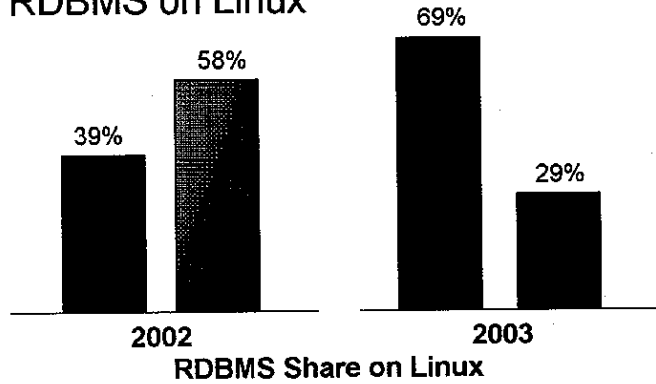3

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Oracle Technology

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Database Leadership

- #1 RDBMS Overall
- #1 RDBMS on UNIX/Windows/Linux
- #1 RDBMS on Linux

RDBMS Share on Linux

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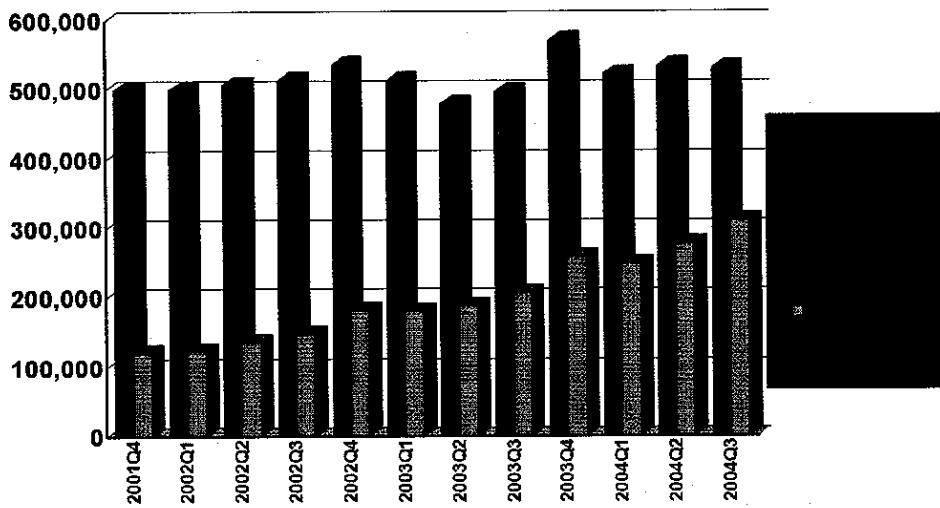ORCL00229097

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Shift to Linux is a Shift to Oracle

- Total hardware server unit shipments up 17%
- Linux represented 17.2% of shipments vs 14.8% a year ago
- Linux will be 33% of servers ships by 2007
  - IDC
- Oracle instrumental contributor to Linux
- Complements Grid

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Storage: Sum of Units & Terabytes

Source: iDC's Disk Storage Systems Quarterly Tracker (as of 3Q04)

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Server Capacity Utilization

- Top 5 Global Bank
  - 35,000 servers @ 8% utilization
  - Management, upgrade, administration, reliability, labor overhead for each server
- More exposure
  - Security and compliance

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Database Options –
1st Half FY05 Performance

- Database options up 20% YTD
- RAC up 34% YTD
  - Grid momentum
- Partitioning up 24% YTD
  - Accelerating data growth
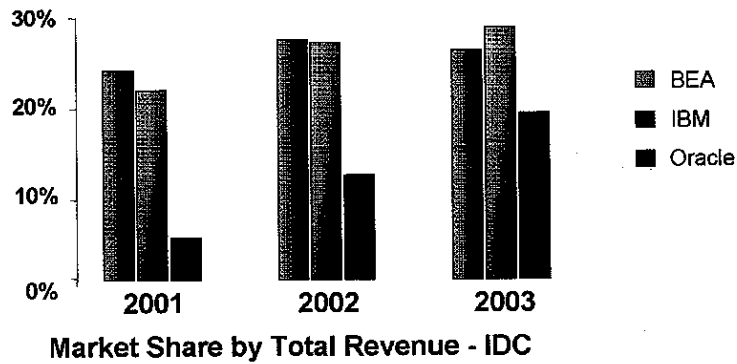
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Standard Edition One

- Explosive growth on low end
- $149 per user or $4995 per processor
- Bundled by Dell
- More distributors signing up globally
- Capturing new entry level users and accelerating migrations from Yukon and open source

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Application Server Leadership

- Fastest growing
- OracleAS: grown 11 of last 12 quarters
- BEA: License revenue decline

Market Share by Total Revenue - IDC

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# Architecture of the Future

- Architecture of the future
  - Partnering with Dell, Intel, Novell and Red Hat
  - Targeting mid/upper level IT and senior architects
  - 14 dates targeted between February and June '05

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Confidential Information

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Customer Data Hub

- Oracle defining the market
- Recognized leadership
- Added additional Hubs
- New architecture choice
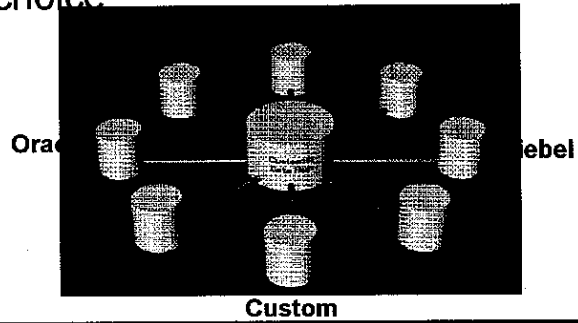
Custom

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Oracle Applications

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Applications Market Leadership

- #1 in North America
- #1 in Human Resources globally
- #1 in Supply Chain Management globally
- 23,000 Customers

Source:
AMR Research, January 2005

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Critical Mass - Field

- Industries
- Sales
  - 65% expansion in quota bearing capacity
  - Thorough account coverage
  - Optimized around relationships; opening doors
  - Specialized salesforce
- Sales Consulting
  - 80% expansion
- Consulting
  - 11,000 consultants with experience implementing across industries and business flows
  - Subcontracting capacity

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Customer Feedback

- User groups
- Customer advisory boards
- CIO associations
- Strategic accounts
- Launch response

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Enterprise Application Trends

- Instance consolidation
- Globalization
- Information
  - Enterprise Performance Management
  - Customer insight and segmentation
  - Business Process Monitoring
  - KPIs and dashboards
  - Data Hubs
- Standardization

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Update on Field Execution

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Pipeline Trends Improving

- Pipeline conversion rate up over last year
- Week 10 percentage of total quarter license revenue
  - 3 percentage points above last YTD
- Consulting Book to bill above 1.x for 4 out of last 5 quarters

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The Oracle Ecosystem Continues to Expand

- 51% of license revenue on partner paper
  - Up 18% YTD
  - 90,000+ deals per year with partners
- 6,650 ISVs – up 13% YTD
  - Migrating to full 10g stack
  - Plugging into Oracle applications
- 14,254 total partners – up 10% YTD

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Oracle Accelerators

- Fast configuration of Oracle Applications
- 80 questions in 80 minutes
- Generate a configuration based on customers answers on sites
- Easy to demonstrate the business flow
  - Procure to pay
  - Order to cash
- Free to partners

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Ready for Business

- New organizations in place
- Management changes finalized
- Global infrastructure in place
- Externally focused

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Faster was better; Fast better than perfection; we can refine things as needed from here

Picked up great people

Apps management team finalized

Accelerated specialization in the salesforce

Each of this organization for applications is larger by at least 60% and most twice their size

Development – 90% retained

Key is to minimize disruption; same customer support systems; same people; same processes;

Consulting not only did we keep but we still have some openings for some skills sets; billable headcount

Sales – coverage; deals happening that we didn't see; A much larger field organization, there should be a lot less of that
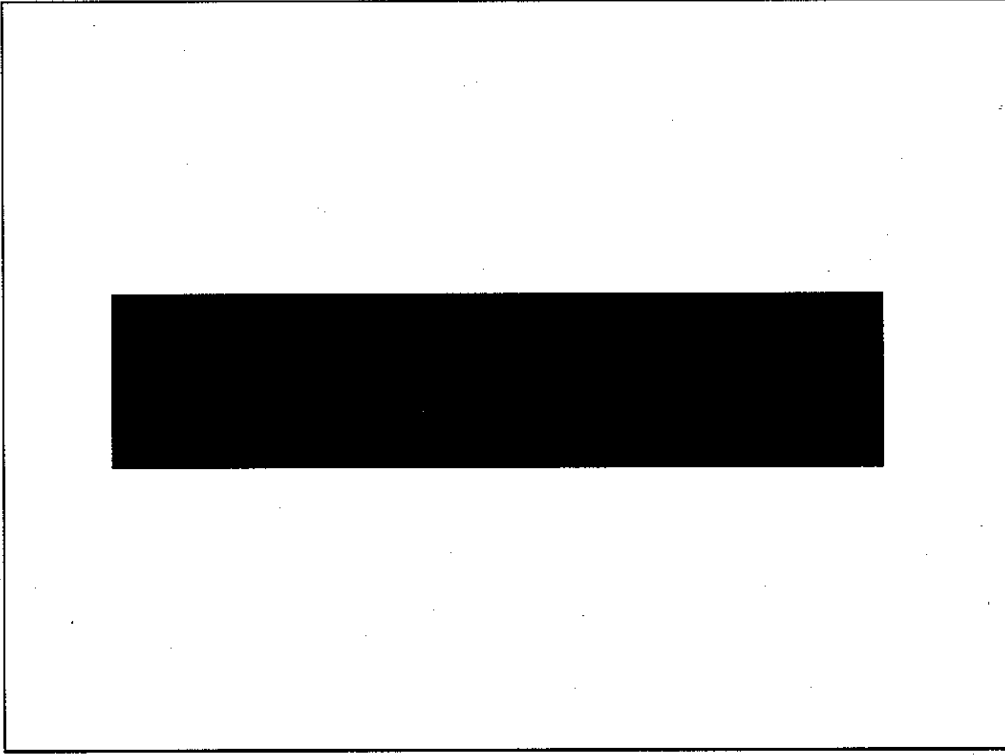
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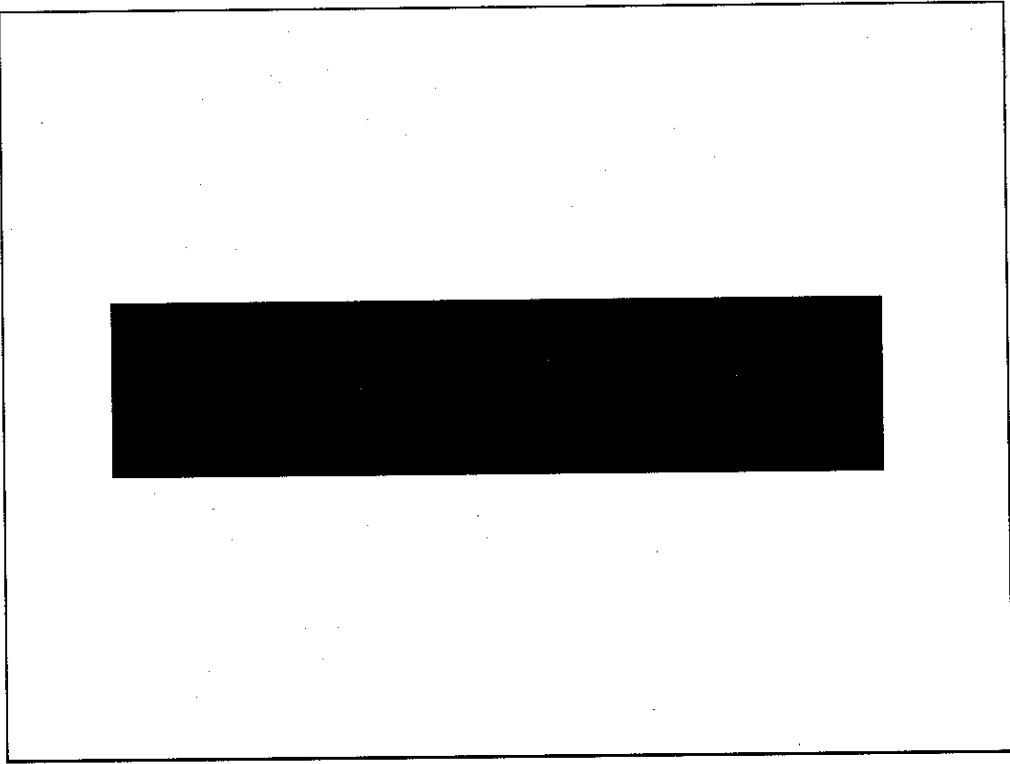
Juergen Rottler
Executive Vice President
Oracle Support & On Demand
Oracle Corporation

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Overview

- Support
  - World's largest software support organization
  - Strong, healthy business
  - Leadership and innovation
- On Demand
  - Leadership position in fast growing Software as a Service market
  - Growth engine for Oracle
  - Optimized customer ROI and value

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Largest software support services provider according to Bob Igou, Gartner Group.

Based on his report (Nov 2004) – Market Share: Top 50 Software Support Service Providers, Worldwide, 2004

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Better Together:
Integration and Improvement

Continuity   Consistency

Integration   Improvement

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Oracle Support Growth
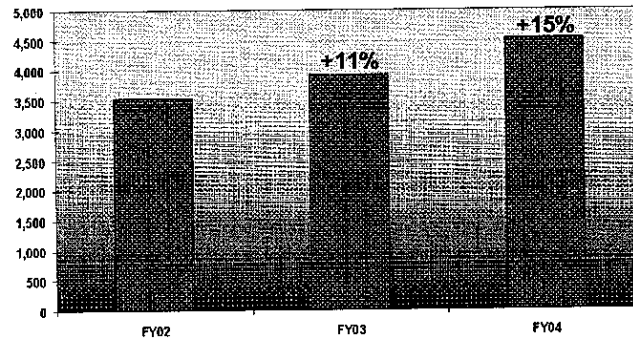
FY05 and FY06 numbers as supplied to LJE & Harry You by Ivgen Guner (note – Larry Garnick has reservations about these numbers.)

Oracle Support Business

- Oracle: $5.1B revenue in past 4 quarters
  - Maintenance and Support: $4.8B
  - Advanced Product Services, including Oracle On Demand: $276M
- Allows customers to leverage Oracle's $1.3B annual R&D investment
- PeopleSoft: $1.2B revenue in past 4 quarters
  - 8% revenue growth

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Q1+Q2 FY04 = 2,148; Q1 + Q2 FY05 = 2,428

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Integration Approach

- No disruption to customer service
  - Continuity
  - Consistency
- Integration
  - Seamless transition, as fast as possible
- Continuous improvement
  - Better Together, delivering the best Customer Support in the industry
- 95% Customer retention goal

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Support Scale – PeopleSoft

- 1,000+ support staff
- 350k service requests filed electronically
- 150k service requests over the phone
- 18M e-support interactions

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Support Scale – Better Together

- 6,000+ support staff
- 1.25M service requests filed electronically
- 450k service requests over the phone
- 110M+ e-support interactions

Significantly expanded international coverage and leverage of very strong global delivery model

Support Scale – Better Together

Support Staff	1,000+	6,000+
Web Access to Knowledgebase	100,000+ Solutions	400,000+ Solutions
Global Support Centers	6	16
Local Language Support	9	27
Interoperability	Multiple Calls	Single Call
Escalations	Multiple Calls	Single, Integrated Process

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75% of PSFT customers run on Oracle and a significant % of JDE Customers

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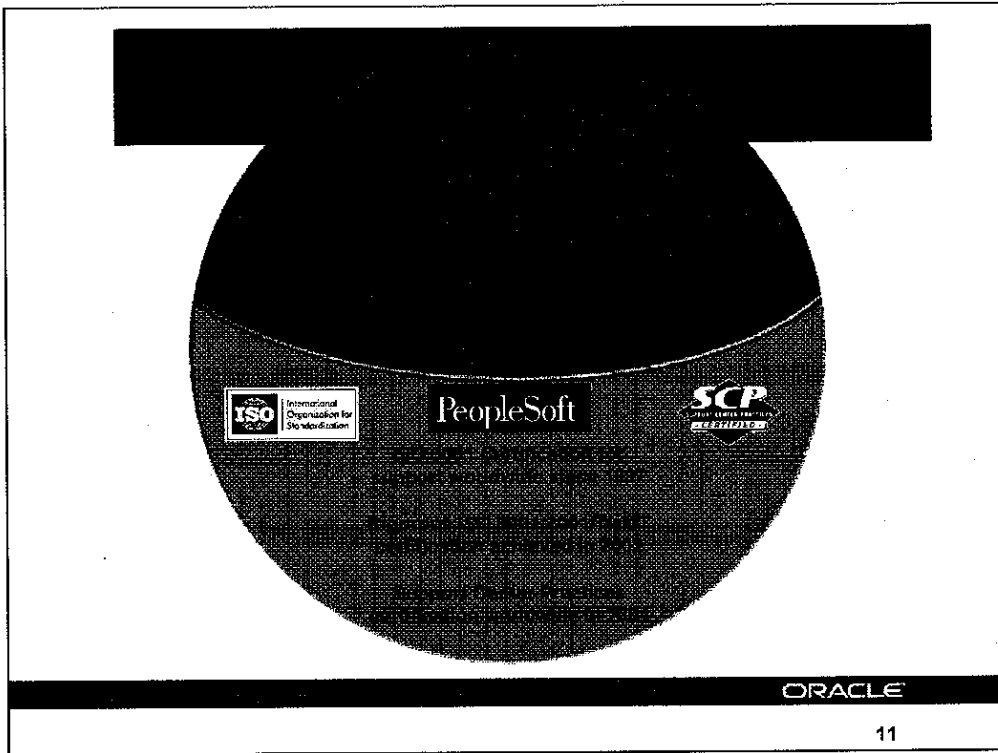
*Oracle's India Support Center also has been awarded the ISO 9001:2000 certificate from KPMG this month.

PSFT strengths – usability and process
ORCL strengths – engineering innovation and automation

Page 11

Comprehensive Lifecycle Support

97% of Inquiries Addressed by KnowledgeBase

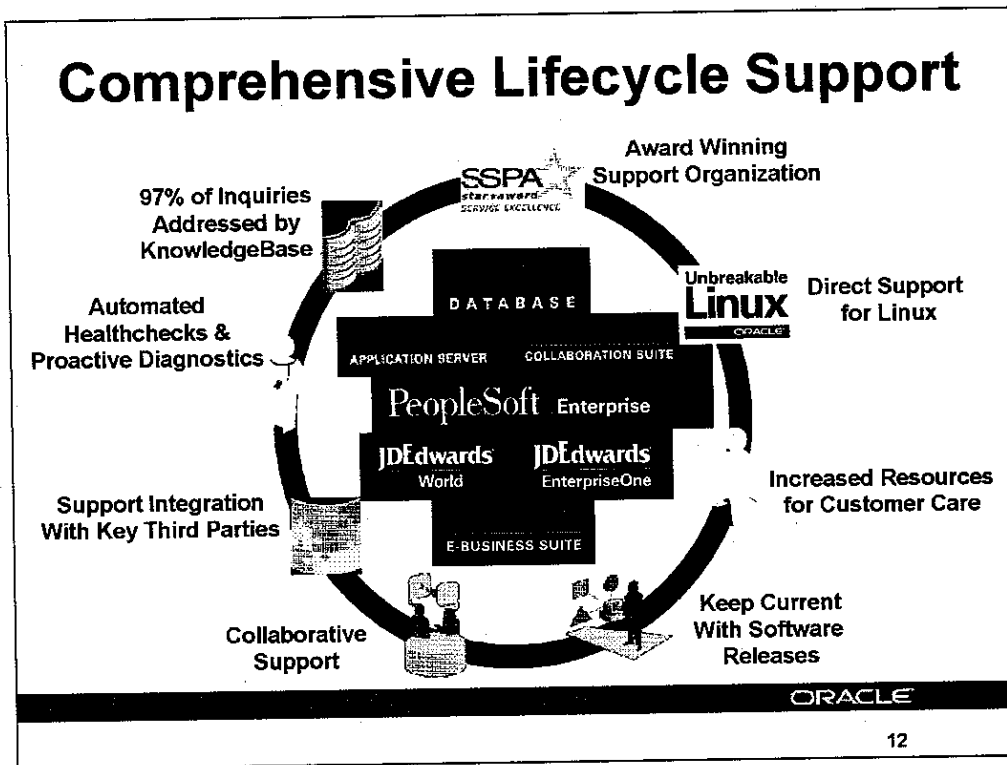Automated Healthchecks & Proactive Diagnostics

Support Integration With Key Third Parties

Collaborative Support

SSPA

Award Winning Support Organization

Unbreakable **Linux** ORACLE — Direct Support for Linux

DATABASE

APPLICATION SERVER   COLLABORATION SUITE

PeopleSoft Enterprise

JDEdwards World   JDEdwards EnterpriseOne

E-BUSINESS SUITE

Increased Resources for Customer Care

Keep Current With Software Releases

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Not your usual reactive support but proactive lifecycle support – key is to stay current with Oracle software releases to leverage your Oracle investment – created tools and diagnostics to make it easier for customers to do that.

Value Proposition against other third party support providers

•Updates: No ability to provide software updates (incl maintenance releases, patches, security updates, HR/Tax/Regulatory updates, etc.)

•No access to product development: Support (Orcl/Psft) work hand-in-hand with people who built the products.

•Size / Scale: A combined Oracle/PSFT support organization (and development) is one of the largest product support organizations in the world. There is no way to replicate access to skills, infrastructure – JDE team along has over 100 YEARS of collective JDE Support experience. TomorrowNow has less than 40 employees.

•Support benefits from the collective experience of many customers (find once fix many.) The customer benefits from problems/issues identified in very large customer base.

•Allude to potential legal problems, intellectual property issues with source code etc.

Response to TomorrowNow acquisition by SAP

•Small company (40 emps; 50-ish customers); their customers wanted maintenance, not a SAP migration path

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Key Priorities

- Unified Global Support Model
- Automated Tooling for Proactive Problem Avoidance
- Collaborative Support: Customers and Partners
- Customer Affinity and Loyalty

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Global Support Model:

Global problem resolution backbone

Automated routing to most qualified, specialized resource Global Dispatch

Global troubleshooting methodology & resources

Global integrated escalation process

Automated Tooling:

Support agent

Oracle Diagnostics

Configuration capture and analysis

System Health Checks

Personalized upgrade support programs

Upgrade Support – scripts run against customer systems generate a customized upgrade plan for each customer, based upon their environments. Customers can file these plans and then file SRs against specific steps within the upgrade plan.

Customer Collaboration

Shared workspace with Oracle Web Conference for faster troubleshooting

Partner Collaboration

Extend existing OS support relationships for comprehensive infrastructure support

Past Successes:

"Unbreakable Linux" direct OS support for RedHat

Sun-Veritas Joint Escalation Centers

Renewed Focus on Customer Affinity

Quality of service
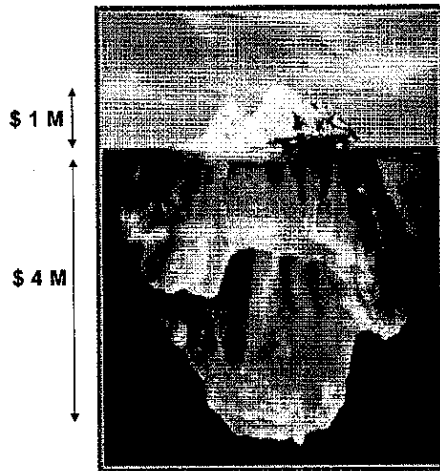
Ease of doing business

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Software as a Service: Hosting & Outsourcing

PeopleSoft Support

PeopleSoft Development

Oracle Development

Oracle Support

Oracle On Demand

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Cost of Managing Software

$1 M

$4 M

"Customers can spend up to 4 times the cost of their software license per year to own and manage their applications"

- Brian Zrimsek
Research Director, Gartner, Inc.
January 2003

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The pitch has great content, but the coherence and the identification of the elements of the presentation with the macro themes is weak.
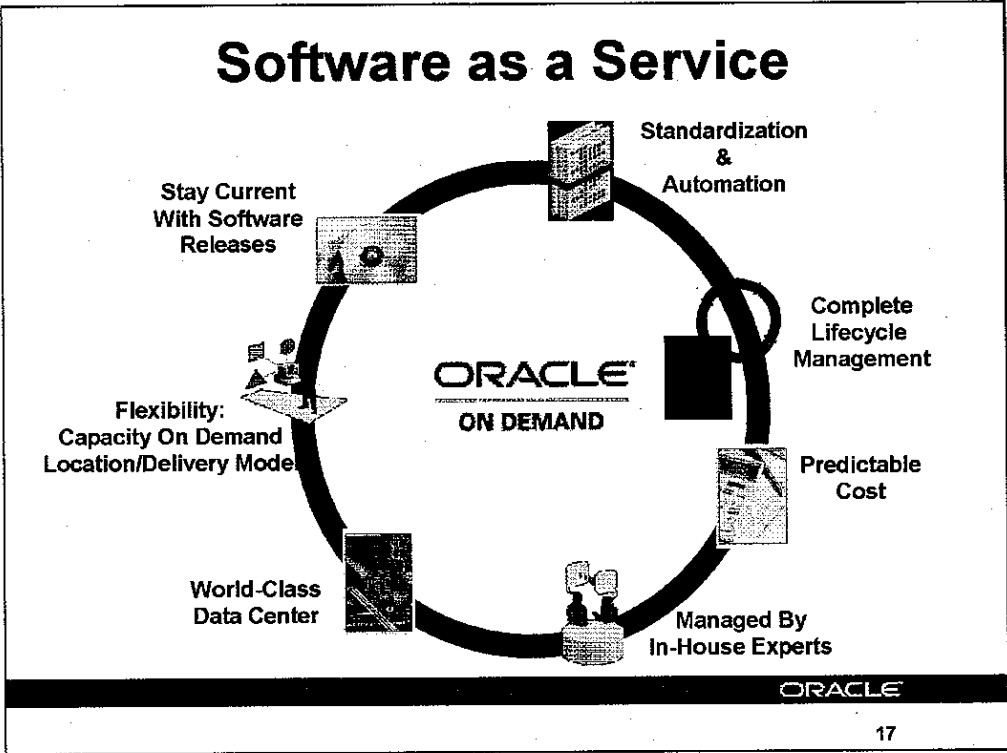
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Oracle On Demand

- Fastest growing Oracle business
- 250,000+ end users in more than 30 countries
- Industry leadership ranking from both IDC (2004) and Meta Group (2003)
- Benefits extend to all customers

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Learnings to benefit all customers

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Software as a Service

Standardization & Automation

Stay Current With Software Releases

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ON DEMAND

Complete Lifecycle Management

Flexibility: Capacity On Demand Location/Delivery Model

Predictable Cost

World-Class Data Center

Managed By In-House Experts

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Delivery model - @Oracle, @Customer, @Partner (committed to PSFT hosting partners)

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**Example:
Making Your Investment Appreciate**
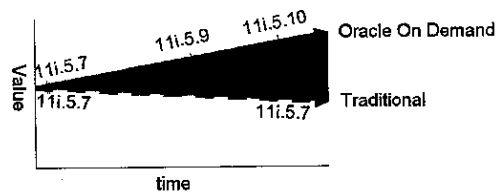
Benefits of staying current with Oracle software – Oracle On Demand does it for you.
Currently in the planning stages – all customers have a Periodic Maintenance Plan and we
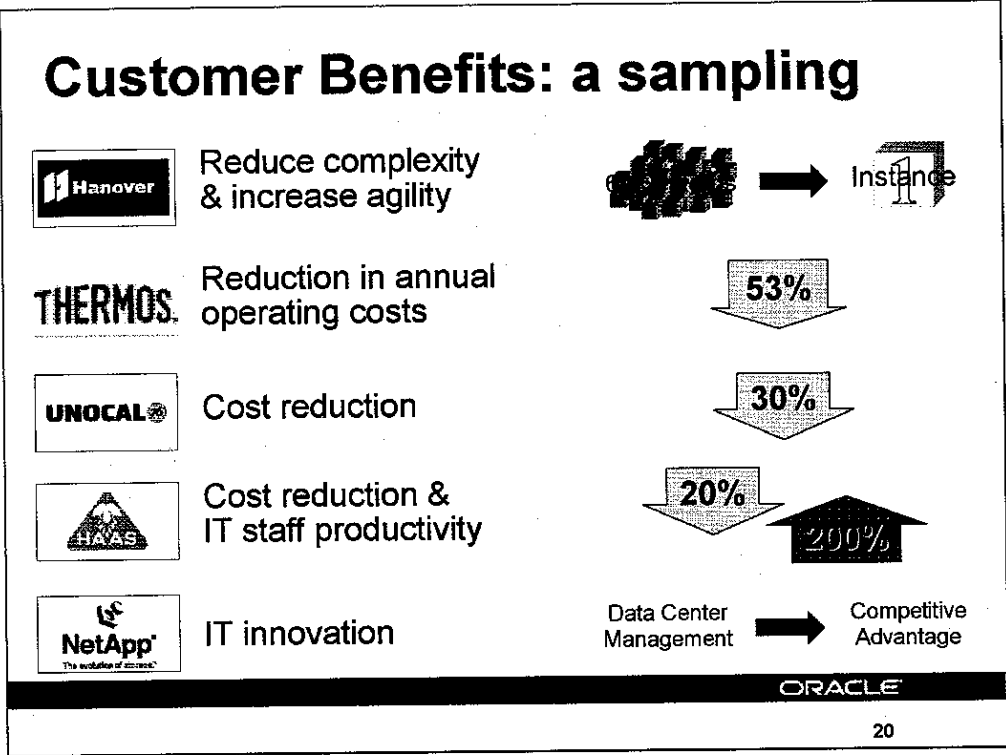are scheduling all 11.5.10 upgrades as part of the OD service.

Similar success story around patching – for example, Oracle's recent critical security patch
was applied to all OD customers in test within 4 days of release and in prod within 10 days of
the patch's release. OD takes care of everything.

On Demand Opportunity

- Bring Oracle On Demand scale and capability to PeopleSoft customers as quickly as possible
- Better Service
  - Availability
  - Security and compliance
  - Performance
  - Problem and change management
- Flexibility and Scale
  - Location
  - Matching what you buy with what you need
  - Access to the latest technology
  - Enabling IT to focus on Business demand
- All at a Lower, Predictable Cost

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Customer Benefits: a sampling

Hanover	Reduce complexity & increase agility	→ Instance
THERMOS	Reduction in annual operating costs	53%
UNOCAL	Cost reduction	30%
	Cost reduction & IT staff productivity	20% / 200%
NetApp	IT innovation	Data Center Management → Competitive Advantage

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•For **Hanover Compressor** and from a CIO perspective, Oracle On Demand represents solutions and results.

•On Demand [enabled] **Hanover Compressor**...to take 64 systems and actually bring it into one instance...[which] allowed us to move from a 35-40 day closing cycle to a 10-12 day closing cycle.

•Third party commissioned ROI study shows that Thermos saves $180,000 in annual operating costs and over $650 in initial capital outlay. Study available and will be handed out during this event.

•Oracle On Demand allows [**Network Appliance**] to focus on what is core...and...scalability. Oracle has demonstrated again and again that they've got talent, they've got capability, they've got the willingness to make the investment.

•For **Network Appliance**, the Oracle product suite and Oracle On Demand is a unique combination that no other software vendor offers today.

•When we went with Oracle On Demand, [**John I Haas**] noticed a 20% savings on running our Oracle applications immediately...as well as having a 200% productivity gain by our IT staff.
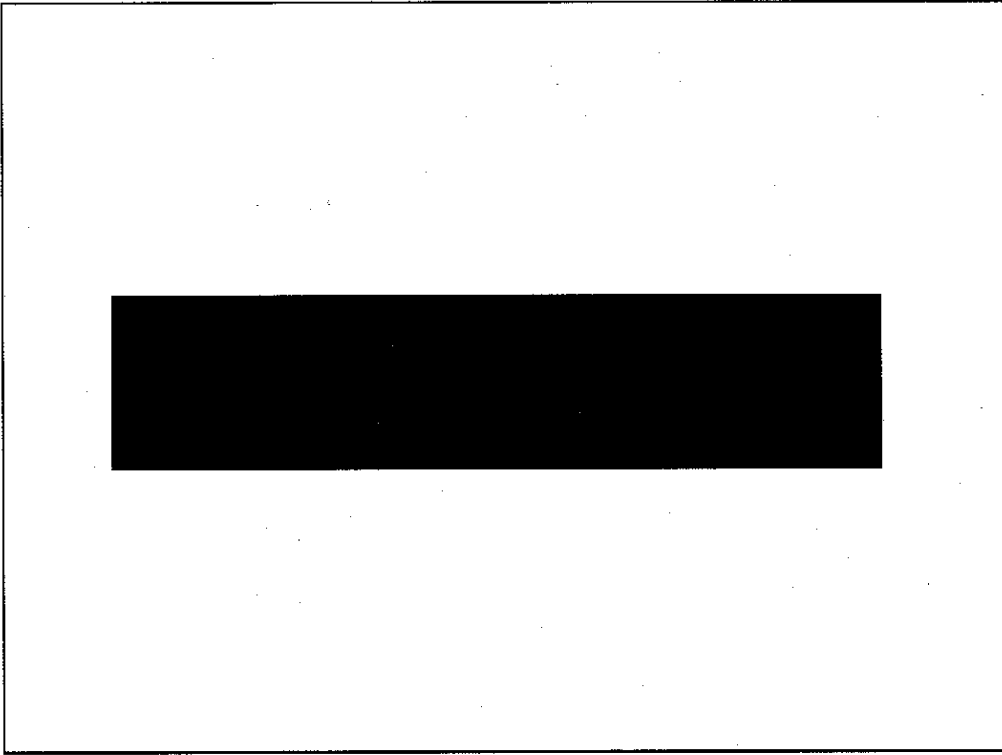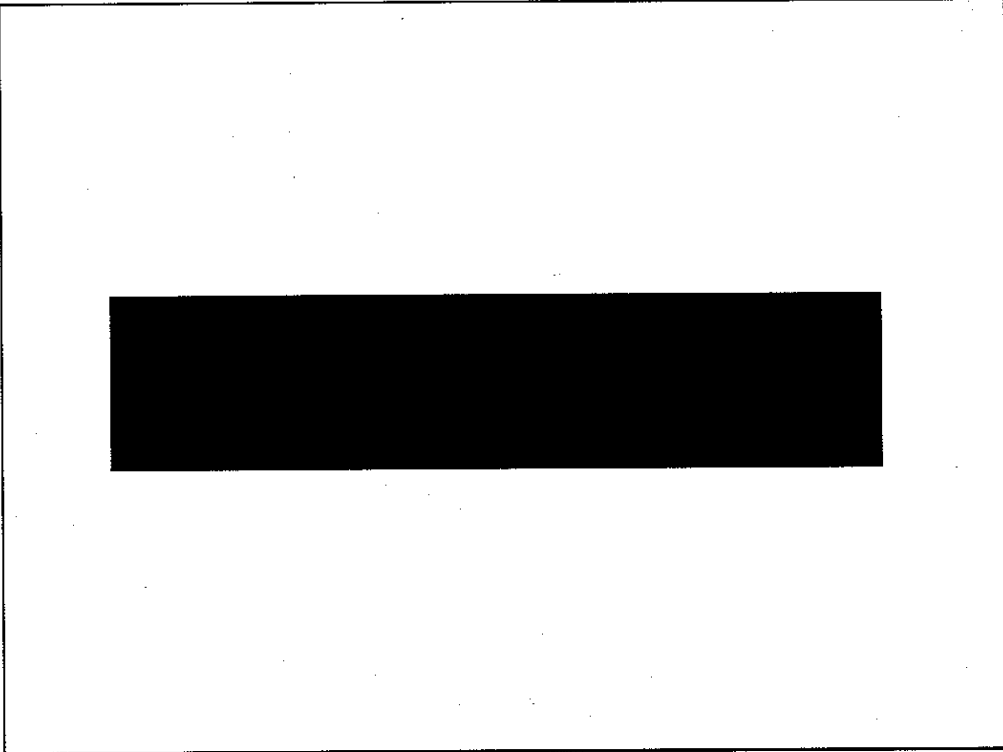
Page 20

ORCL00229137

Summary

- Scale and Global Reach
- Profitability and Growth
- Leadership and Innovation

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21

Industry's largest software support organization

21

ORCL00229138

Page 22

Confidential Information

22

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ORCL00229140

Chuck Rozwat
Executive Vice President
Server Technologies
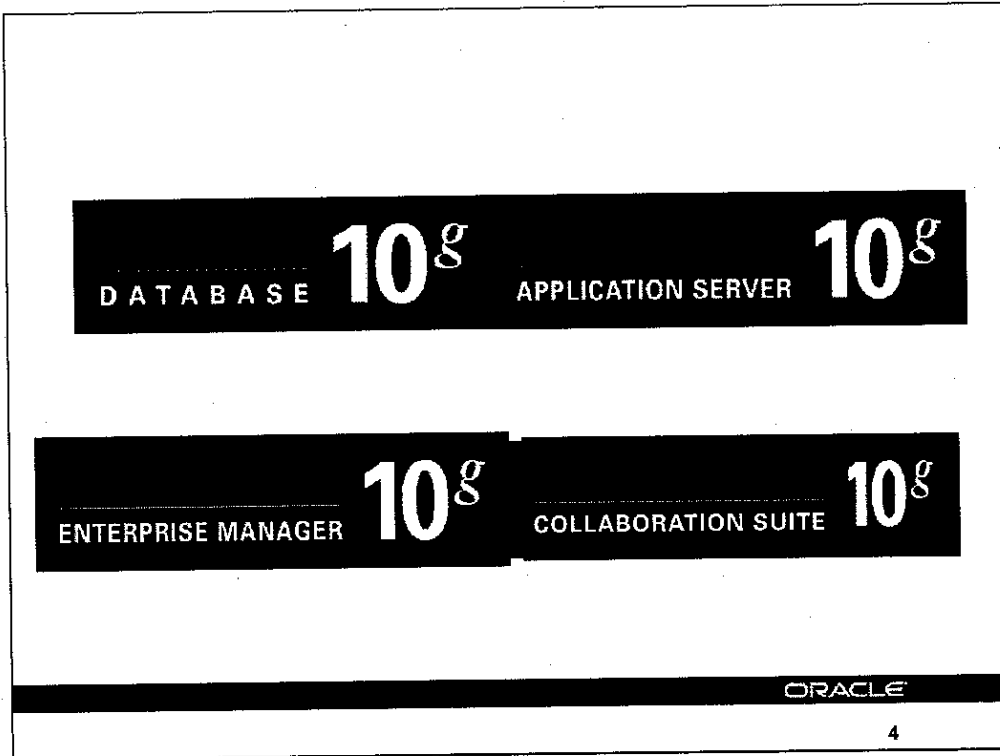Oracle Corporation

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Agenda

- Product Growth Opportunities
  - Technology Leadership
  - Complete Solutions
- Competition

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ORCL00229142

Deutsche Post Worldnet: SOA, ESB – strategic partner for Java Business Integration

"Working with a strong partner like oracle Corporation in the SOA environment especially using Oracle' JBI implementation, helped us to solve an important part of the ongoing integration issues and improve our best-of-breed SOA platform, including our Service Backbone as an SOA mediator" Michael Herr, head of SOP Group, Deutsche Post

4
ORCL00229143

Oracle 10g Product Strategy

- Industry Leading Infrastructure Software
  - Complete and open
  - Highest quality of service
  - Lowest cost
- Innovation at Every Level
  - Application development and deployment
  - Grid infrastructure
  - Driving industry standards

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5

Page 5

What is Grid Computing?

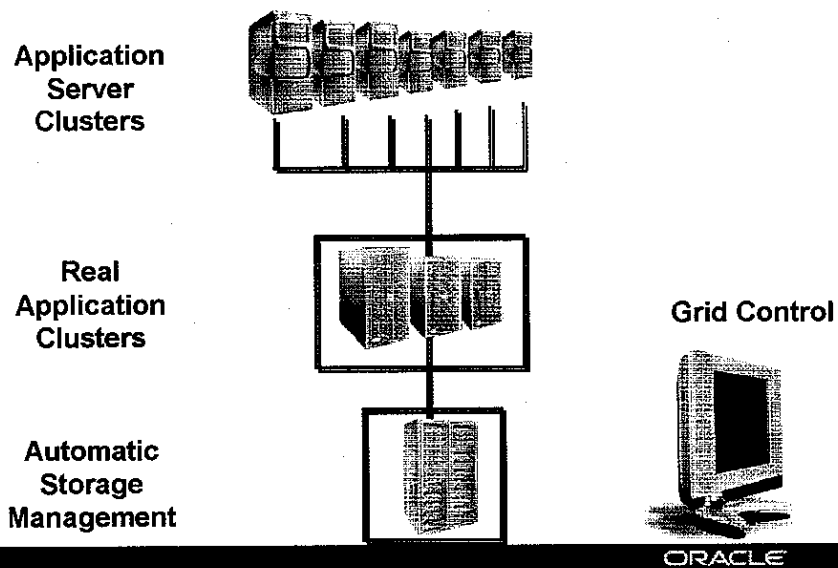"Grid Computing enables the virtualization of distributed computing and data resources such as processing, network bandwidth, and storage capacity to create a single system image, granting users and applications seamless access to vast IT capabilities."

- IBM

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Page 6

Grid Computing with Oracle 10g

ORCL00229146

Cost Savings through Better Utilization

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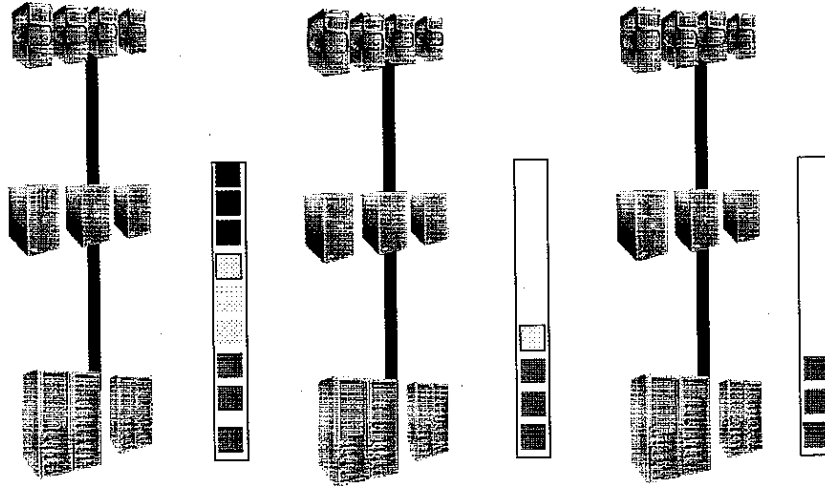
ROI from Oracle 10g Grid Computing

Benefits from Oracle Grid Computing	Average Result
ROI over 5 years ($1.7M investment)	150%
Hardware Savings First Year	55%
Projected HW Savings in 5 years	73%
Reduced Labor Requirement	3.75 FTE
Improved Computing Performance	10%

Mainstay Partners Study included customers: Dell, Chicago Stock Exchange, Electronic Arts, Vanderbilt University, Ohio Savings Bank, University of Oslo

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Page 9

Lowest Cost to Manage

- **46% less DBA time than IBM**
- **30% less DBA time than Microsoft**
- **Saves up to $50,000 per year per DBA**
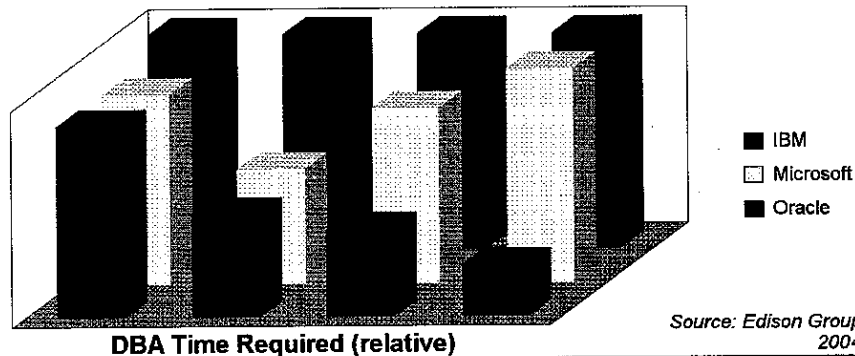
DBA Time Required (relative)

IBM
Microsoft
Oracle

Source: Edison Group 2004

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10

SQL Server is long easier to manage than Oracle, and IBM continues to play catch-up.

http://www.progstrat.com/research/gems/040401rdbmscmcs.pdf

And

http://www.theedison.com/research/gems/110104rdbmscmcs.pdf

Percentages calculated from the time taken to manage IBM DB2 (100%) compared to Oracle and SQL Server.

What does this mean in terms of TCO?

"Potential annual savings of up to $50,065 per DBA (from increased administrator productivity)"

Page 10

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Page 11
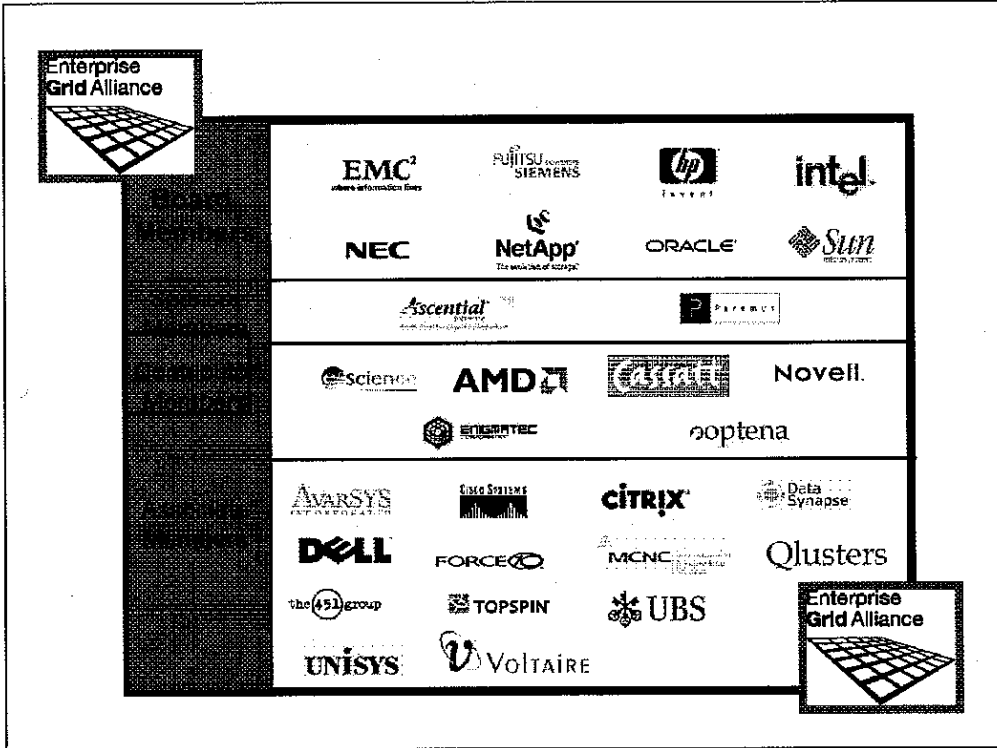
Steve Yatko
Managing Director, R&D
Credit Suisse First Boston

CREDIT | FIRST
SUISSE | BOSTON

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ORCL00229151

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Oracle 10g Release 2

- Announced at Open World, Dec. 2004
- Delivery First Half 2005
- Grid Computing for All IT Resources
- Growth Opportunities

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...and here's what we're delivering next...

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ORCL00229152

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Oracle Application Server

Enterprise Portal

Mobile & Wireless

Business Intelligence

Any Data Source

Web Services

B2B

Applications

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Application Server Leadership
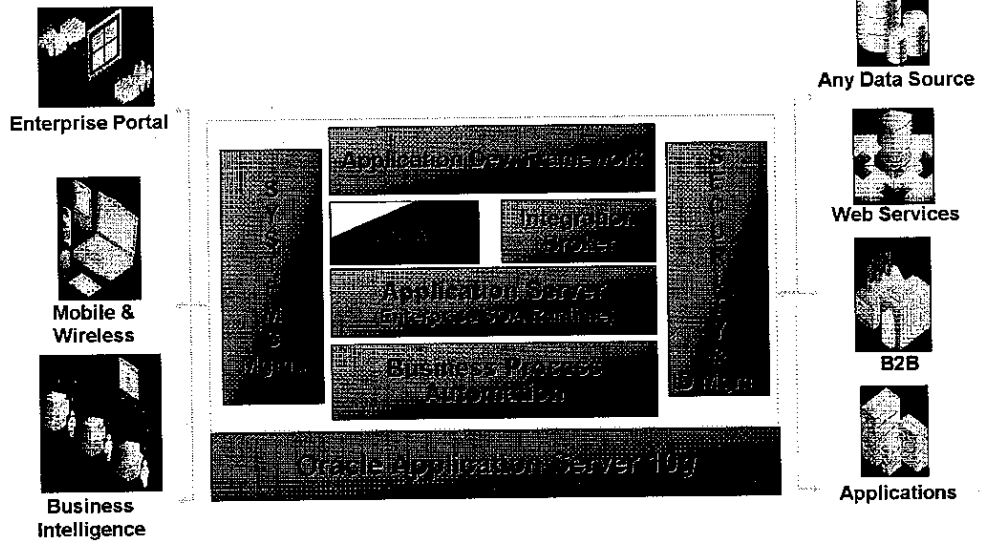
- #1 in Forrester Technical Evaluation (2004)

LEGEND:
⊞ View subattributes and scores
▼ Sort products by attribute and score
Scores are from 0 to 5.

RANK	VENDOR & PRODUCT	OVERALL SCORE	PLATFORM ARCHITECTURE	AVAILABILITY AND RELIABILITY	ADMINISTRATION AND MANAGEMENT	DEVELOPMENT	STANDARDS AND INTEROPERABILITY	MARKET PRESENCE	COST
1	Oracle Application Server 10g Enterprise Edition	4.1	4.0	4.4	4.0	4.1	4.5	3.9	3.4
2	BEA WebLogic Platform 8.1	3.3	4.4	3.4	3.9	3.5	3.9	3.5	1.0
2	IBM WebSphere software platform	3.2	3.8	3.0	3.3	3.4	3.6	4.5	1.4
2	Microsoft Windows Server System	3.2	3.2	2.6	3.3	4.1	3.4	2.6	3.2
5	Sun Sun Java System	2.8	3.1	1.5	3.5	2.4	3.1	2.8	3.2

Page 15

New Market Opportunity - *Integration*
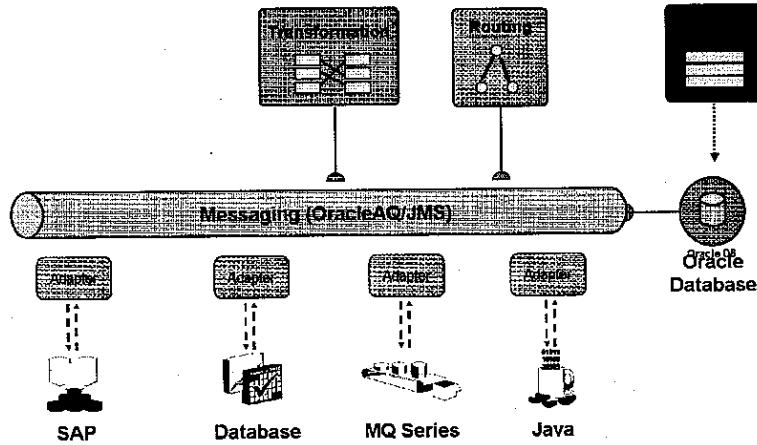
Page 16

New Market Opportunity -
Service Oriented Architecture

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New Market Opportunity -
Service Oriented Architecture

belgacom
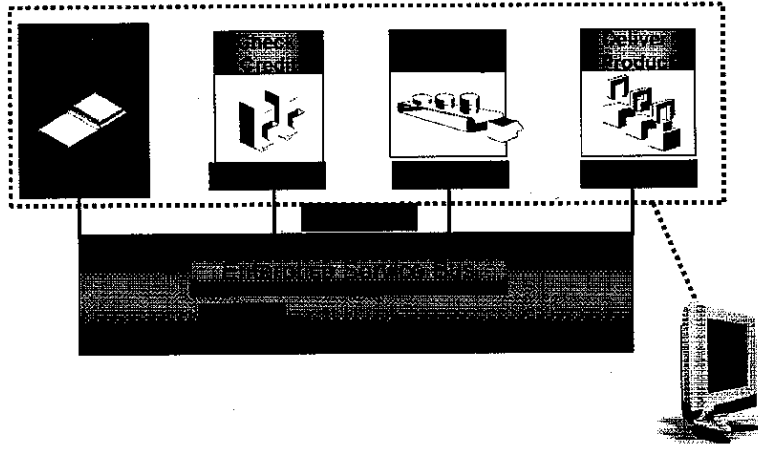
- **Leaders with Service Oriented Architecture**
  - World's most ambitious SOA go-live with BPEL (Nov 2004)
  - Day 1 processed 15,473 orders, beat performance targets

posco

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New Market Opportunity -
Business Intelligence
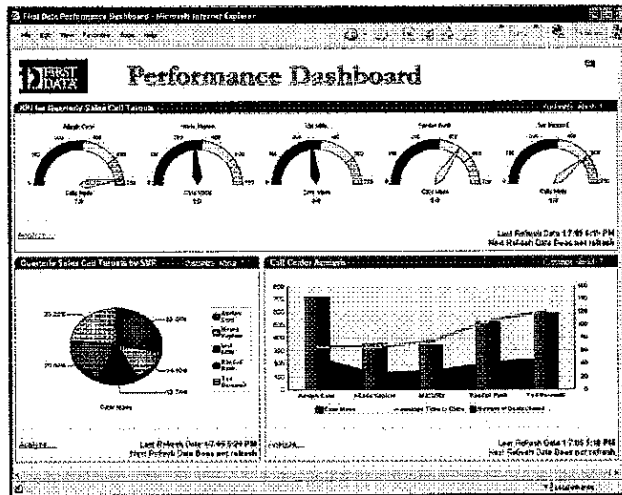
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New Market Opportunity -
Content Management
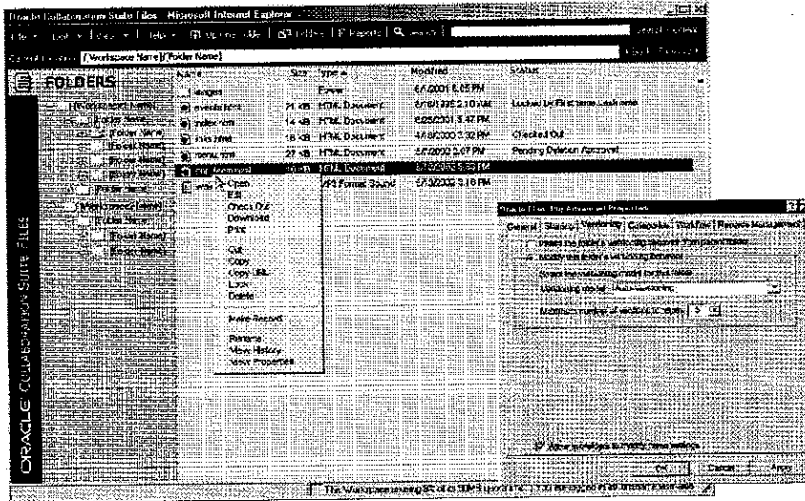
New Market Opportunity -
Content Management
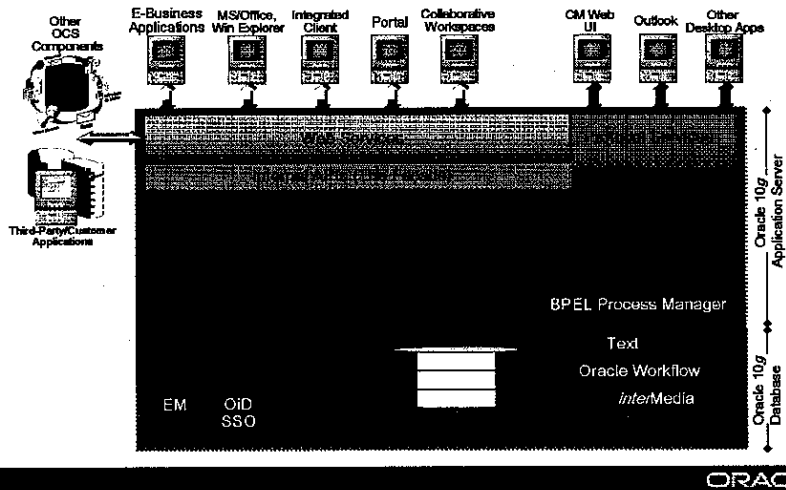
Oracle 10g Release 2

- Application Server Guard
- Federated Identity Management
- Graphical Topology Manager
- Bare Metal Provisioning
- Business Activity Monitor
- "Instant" Portal
- XQuery in the Database
- Transparent Data Encryption
- Instant Messenger with Group Presence

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Deliver on Commitments

Oracle and Microsoft Database Delivery History

	Announced	Committed	Delivered
Oracle 9i	10/00	1H 2001	6/01
Oracle 9i R2	2/02	FY 2003	8/02
Oracle 10g	9/03	CY 2003	1/04
Oracle 10g R2	12/04	1H 2005	TBD
SQL Server 2000	11/99	1H 2000	8/00
Yukon	10/01	1H 2003 / 1H 2005	TBD

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Page 23

SQL Server 2005 (Yukon)

- .NET Integration
- BI for the Masses (Reporting Services)
- DBA – online, HA...
- Security – Data encryption
    - Row level security – OUT
- Top 30 features
- No Grid

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SAP NetWeaver Marketing

SAP Netweaver

- Doesn't Exist

- Proprietary

- ABAP Dominated

- Internally Focused
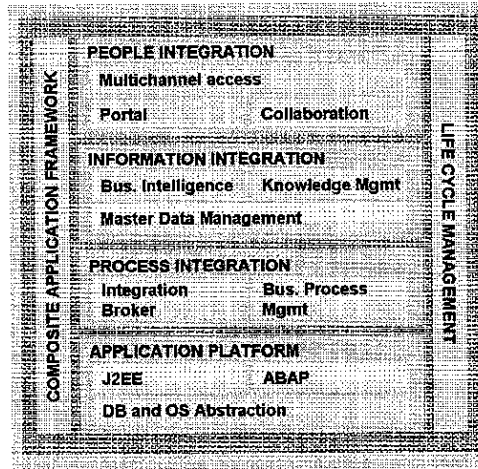
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Expanding Our Lead

- Product Growth Opportunities
  - Technology Leadership
  - Complete Solutions

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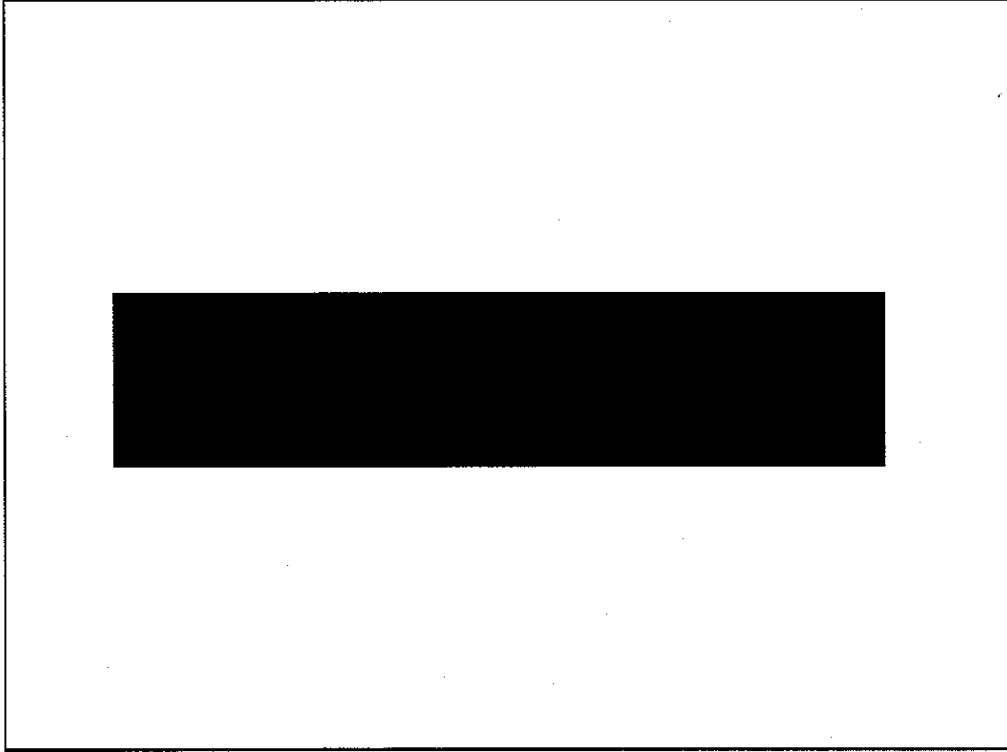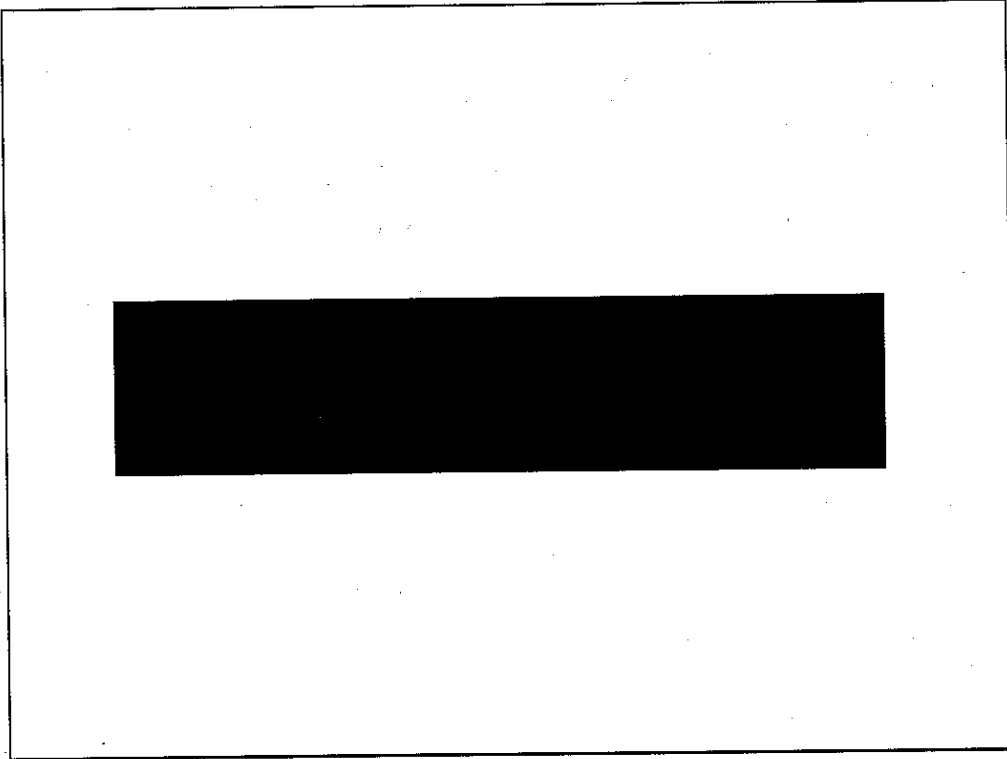
Edward Screven
Chief Corporate Architect
Oracle Corporation

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ORCL00229168

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Oracle Architecture Organization

- Technical direction across products
- Standards management
- Security
- Usability
- Unbreakable Linux

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3

My title is Chief Corporate Architect.

I provide technical direction across products -- and help make sure they're aligned with Oracle's strategy.

I'm also responsible for standards, security, usability, and Unbreakable Linux.

3

ORCL00229169

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Unbreakable Linux

- Dedicated engineering team
  - Strong relationships with vendors, community
- Make Linux better for Oracle products
  - Contributing enhancements, not just reporting requirements
- Direct support for Linux under Oracle products
  - Provide P1 fixes directly, not just hand off to distributor

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4

I'm sure you all know we promote Linux. But you may not realize we have a dedicated Linux development team.

That team allows us to have strong relationships with the Linux community.

Through those relationships, we work to make Linux a better platform for Oracle products. And we do more than just explain requirements, we contribute code.

We directly support Linux running under Oracle products. And we don't just coordinate – we directly diagnose and fix customer reported P1 Linux problems.

We do all this because we think Linux is good for customers and great for Oracle.

You know sometimes people ask me how many people at Oracle work on Linux? Well the answer is in the neighborhood of 10,000. Linux is the base development platform for almost all our products. Now those 10,000 aren't all doing Linux kernel work like the team I just mentioned, but they all spend a good part of their time making Oracle products work better on Linux, and improving the Linux experience for our customers. Page 4

4

ORCL00229170

Information Driven Enterprise
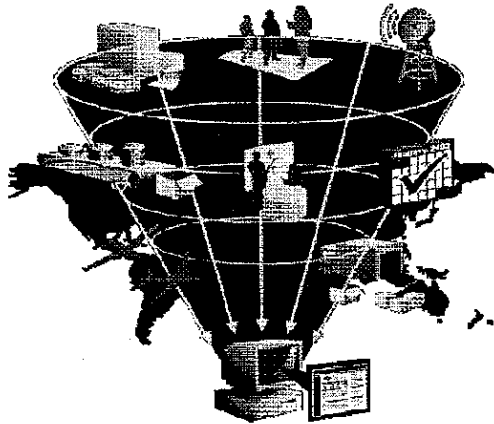
- Connecting executives, staff, partners, and customers through every as█████████rise

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5

And so is the belief that customers need to be information driven in every aspect of their enterprise.

That means connecting executives, staff, partners, and customers.

That means having the right information at the right time, at the right price.

And the only way to do that is with a comprehensive architecture -- what we call the Oracle Information Architecture.

5

ORCL00229171

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Why Do Customers Care About Architecture?

- Large I.T. infrastructures
- Fragmented systems
    - Incompatible technologies
    - Disconnected islands of information
- Fragile environments that are difficult to evolve
- Need flexibility for business growth and restructuring
- Demand better return on existing investment, reduced risk for future investment

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6

Customers do care architecture.

They have large I.T. infrastructures. Many are fragmented, with incompatible technology stacks, disconnected applications.

Many spend millions on operations and stop-gap integration projects.

Their environments are often fragile, and difficult to evolve.

Yet customers need flexibility for growth and restructuring.

And they certainly want better return on their existing investments. Moreover they want reduced risk for future investment.

All of these give us a chance to talk to them about the big picture – about architecture.

Architectural Requirements

- Manages all your information
  - OLTP, decision support, unstructured content
  - Process-oriented or ad hoc
- Single source of truth
  - Multiple systems... One answer
- Information available immediately
  - In context, through user's preferred media
- Flexible infrastructure
  - Adapt rapidly to changing business needs

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7

Being information driven requires solving fundamentally hard problems.

Information must be complete. Critical business information has many forms. It can be transactional or analytical. It can be process oriented or ad-hoc. It can be structured or unstructured.

Information must have a source of truth. It's a given that customers will have multiple databases, multiple applications. Enterprises must have a single common notion of what is true, without ambiguity, across systems; in fact, for some, even across enterprises.

Information must be available immediately, in context, through media which are effective and convenient to users.

The infrastructure must be flexible. Businesses change, new technologies emerge. An enterprise must be able to adapt and redeploy rapidly without abandoning existing I.T. investment.

7

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Architectural Requirements

- Cost effective
  - Total cost and marginal cost
- Standards based
  - Extensible
  - Third party support
- Enterprise ready
  - Scalable
  - Reliable
  - Manageable
  - Tested configurations ready to deploy

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8

(And to state the obvious) The deployed infrastructure must be cost effective. In a total sense AND in a marginal sense – meeting a modest new need should incur a modest cost. Steep cost steps mean needs go unmet.

The architecture must be standards based.

•We think customers are better off if all of their infrastructure, packaged applications, and custom applications are built to the same open standards.

•Standards enable interoperability; standards protect investments.

•And we think Oracle is better off with standards too – 3rd parties can add value to our platform, and we can leverage industry innovation.

(And of course) Everything we deliver must be enterprise ready. It has to be scalable, manageable, and reliable, and it has to be delivered in tested configurations ready to deploy.

8

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Oracle Information Architecture

Development Framework	Information Access	Enterprise Management
	Business Processes	
	Data Hub	
	Grid Infrastructure	

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9

The Oracle Information Architecture solves those problems.

The Oracle Information Architecture isn't a product you buy, it's a way to deploy Oracle products -- a way to become information driven.

Grid Infrastructure

Grid Control

Storage

Databases

Application Servers

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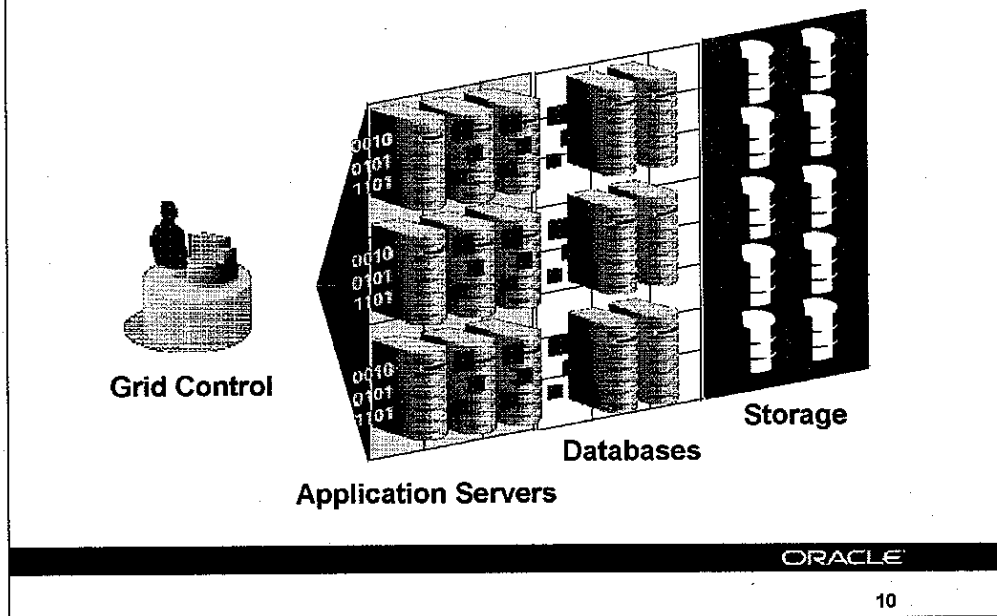
One of the key technologies underlying the Oracle Information Architecture is Oracle Grid Computing.

Grid computing means using many small commodity servers and storage units together as one computer.

Oracle Grid computing delivers cost effective scalability and reliability. Oracle grids are flexible. Customers can grow and shrink grids, redeploying resources as needed.

Oracle Grid computing is mature. **We deliver grid computing through 10g database and 10g iAS, and it's key to our success in OnDemand.**

Service Oriented Applications

XML Service Request

SOAP (XML RPC)

Service Consumer ← **XML Service Reply** **Service Provider**

- Standard interfaces
- Event driven
- Open integration services
- Business process management

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11

Another key technology is our support for service oriented applications.

Service oriented applications are event driven. They have standard web service interfaces. They integrate with legacy applications if necessary. And information flow is coordinated through business process management.

We deliver web service, integration services, and business process management through iAS and the ebusiness suite.

Service oriented applications provide communication and management services that are a key part of managing all your data, and maintaining a single source of truth...

Data Hub

Operational Databases
Operational Data Stores
Master Identity
Legacy Databases
Continuous Data Synchronization
Data Marts & Warehouses

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12

... Data Hubs are the other [key part of managing all your data, and maintaining a single source of truth.]

Data Hubs include definitions of standard business objects such as customer.

Data Hubs clean data, creating a consensus view between applications.

Data Hubs support run-time synchronization of data between systems.

In short, Data Hubs create a source of truth for business critical information.

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Oracle Products

DATABASE 10^g APPLICATION SERVER 10^g
E-BUSINESS SUITE $11i$ COLLABORATION SUITE 10^g
10^g ENTERPRISE MANAGER 10^g

Open Architecture

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13

As I mentioned early, the Oracle Information Architecture is not a product itself. It's a way to deploy our products, and a focal point driving product development.

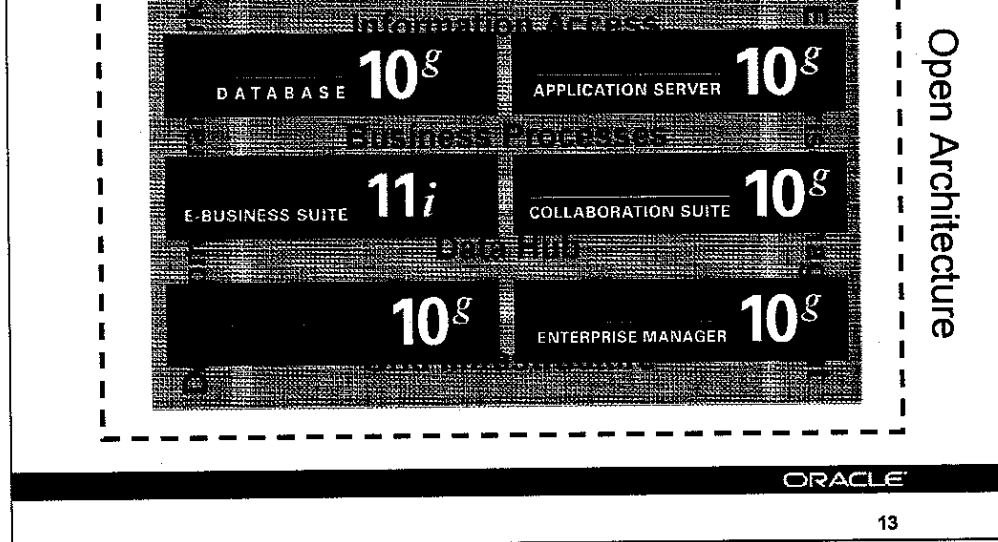The key technologies and common services enabling a customer to be information driven exist throughout our products.

Customers realize the full value of the Architecture by deploying our products together.

Deploying our products together means a customers a single, integrated management view through enterprise manager.

Deploying together means being able to repurpose your I.T. investment as business needs change.

Deploying together means that all of customers critical information is available at the right time, at the right price.

The only other company attempting something of this scale is Microsoft, and they aren't standards based.

Now I don't mean to imply that we are closed, that we aren't interested in integration.

To the contrary, we believe great integration support will lead more customers to standardize on an Oracle to make Oracle the backbone of their enterprise.

13

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E-Business Suite 11i

- Grid ready
- Integrates with information services including
  - 10g iAS Identity Management
  - 10g iAS Portal
  - 10g Discoverer
  - 10g Enterprise Manager
- Offers information services including
  - Built-in business intelligence
  - Built-in data warehouse
- Becoming service oriented
  - Data Hubs and HTB now, entire suite later

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14

The E-Business Suite is worth calling out in particular because it has an interesting place in the Oracle Information Architecture

It is both a provider and consumer of information architecture technology.

It's grid ready.

It integrates with 10g iAS identity management, portal, discoverer, and enterprise manager.

It offers information services including built-in business intelligence and data warehouses – which are dependent on powerful 10g database features: materialized views, partitioning, and OLAP services.

It's becoming service oriented – Data Hubs and Health Transaction Base are service enabled now, the entire suite will be service enabled in the future.

A customer that deploys the E-Business Suite today is well on their way to being and information driven. But we aren't done yet...

Page 14

Project Fusion

- Successor to Oracle E-Business Suite, PeopleSoft Enterprise, JD Edwards EnterpriseOne
- Strongly standards based
  - J2EE
  - Pure HTML
  - Service Oriented
- Development environment tailored for enterprise applications
  - Integrated support for common services: security, configuration, manageability, etc.

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Project Fusion is the successor family of applications to the current Oracle E-Business Suite, Enterprise, and EnterpriseOne product lines.

John is going to go into more detail, but I want to hit some highlights.

Part of project Fusion is building next generation Oracle application development, deployment, and execution technology.

It will be strongly standard based. Applications will have pure HTML user interfaces, will be implemented in Java, running in J2EE containers, and will be service oriented.

The development environment will be tailored for enterprise applications, and will include integrated support for key services such as security, configuration, and management.

I'll leave the rest to John, but one more thing I can tell you is that Project Fusion is rally point for all Oracle development, including our database and application server groups. We are dead serious about delivering the best application experience possible to **all** our customers.

Continuity Through Generations

ROI
Productivity
Performance
Reliability
Security

Mainframe

Client-Server

Internet

Grid/SOA

Time

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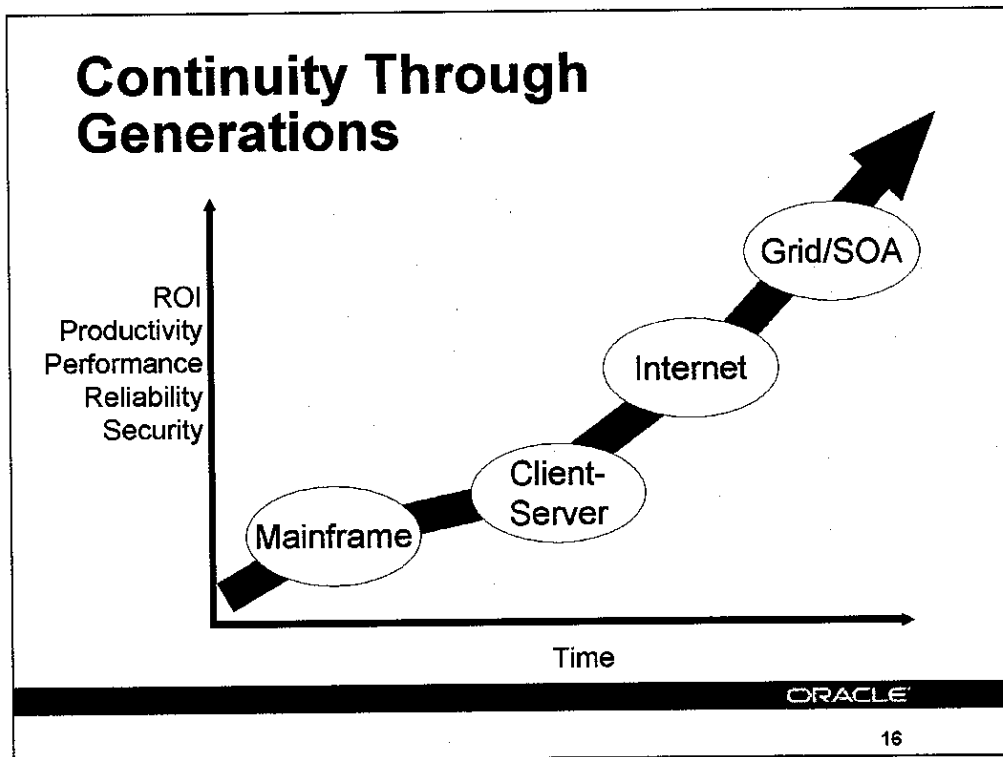
The Oracle Information Architecture is not a radical shift in direction.

It's a natural continuation of what we have we have always tried to do: manage all of a customers data, through out it's entire lifecycle.

And while some key technologies may appear new to customers, they are the fruition of many years of sustained investment by Oracle.

In fact, key elements of database grid technology, were already under development when I joined Oracle in 1986.

That long history gives us continuity needed to ensure that all our customers can move with us.

Page 16

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Oracle Information Architecture

- Oracle Grid Computing is essential
  - Flexibility, efficiency, reliability, scalability
- Oracle is standards based
  - Enables interoperability, protects customer investments, allows us to leverage industry development
- Oracle continues to innovate
  - Project Fusion is the next chapter

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So what's the take away? There are three things I hope you remember about the Oracle Information Architecture

The first is that Oracle Grid technology is an absolutely crucial element.

Only Oracle Grid technology delivers the deployment flexibility, cost efficiency, reliability, and scalability required by an information driven enterprise.

The second is that Oracle is standards based. And only solutions based on open standards can win – the value is too compelling.

Finally, Oracle continues to innovate.

I said earlier that we've always had the same basic goal: manage customer data. That's not a limit, that's a lens we use to view new technologies and requirements.

When small, cheap servers emerged we built grid technology.

When we realized that our customers needed to better information, we reshaped our applications around business intelligence.

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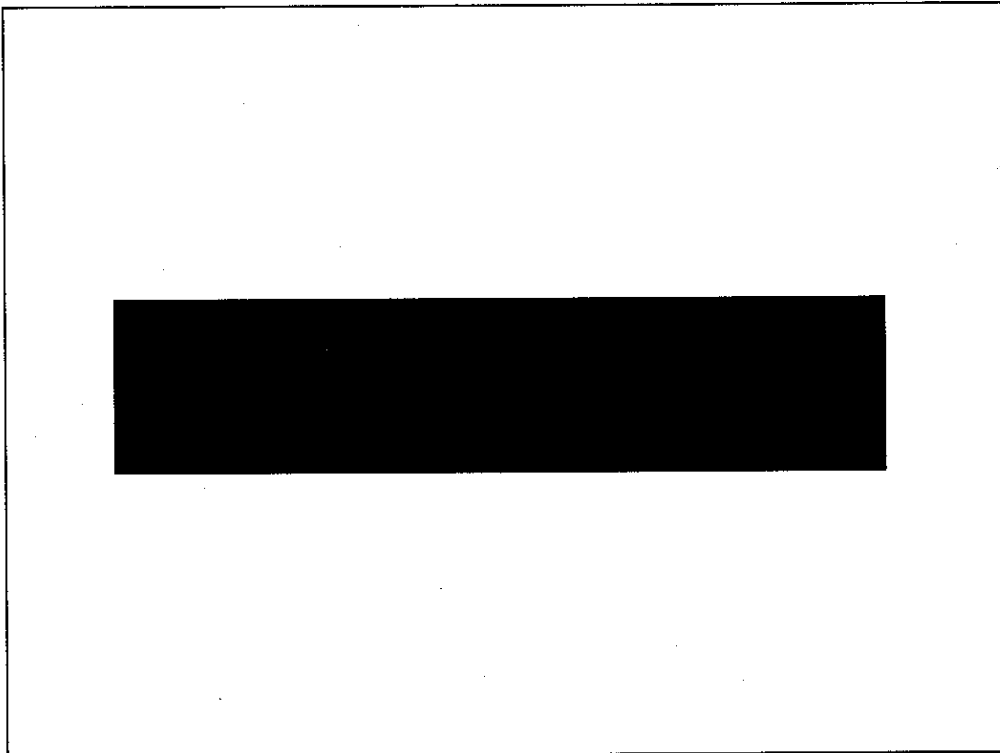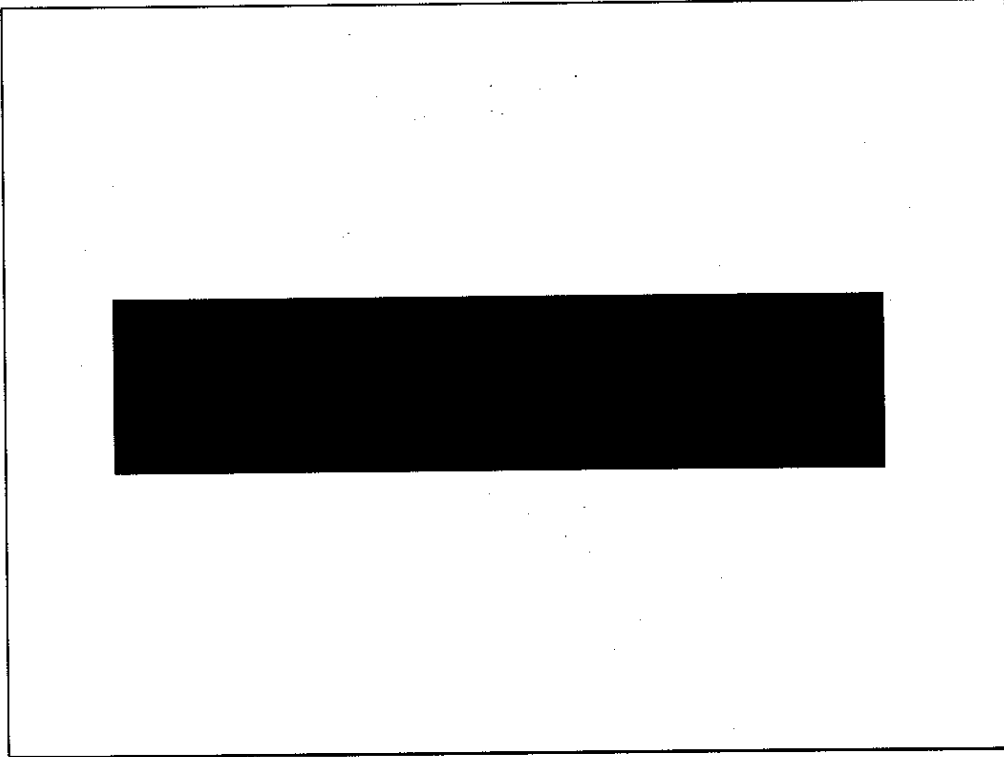
John Wookey
Senior Vice President
Applications Development
Oracle Corporation

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Oracle and PeopleSoft

3

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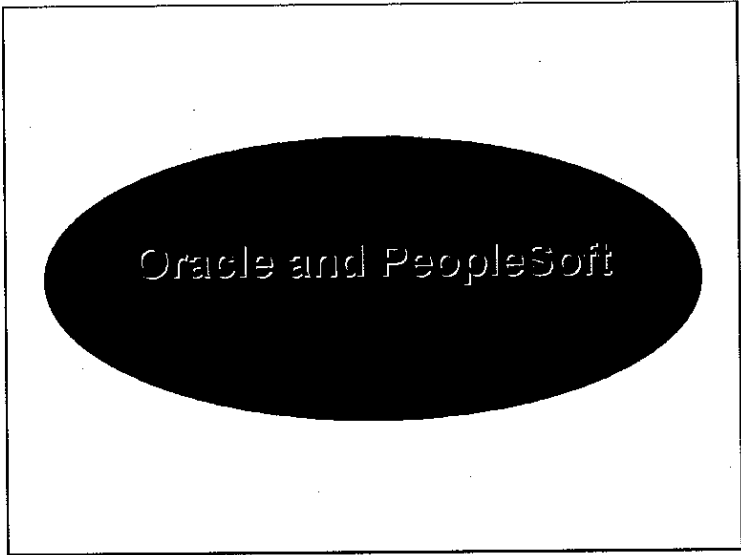
Approach

- Organizational structure
- Product roadmap
- Product support roadmap

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Organizational Structure

Continuity   Consistency

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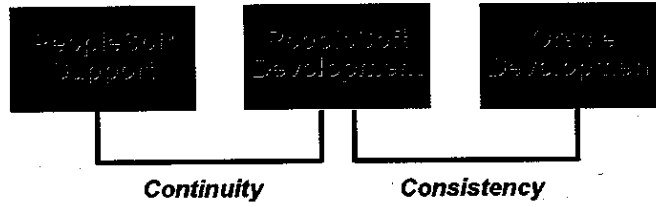
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PeopleSoft Development & Support

- Goal of retaining over 90% of employees
  - Includes management, support, engineering, QA, documentation, etc.

- Continued focus on PeopleSoft product lines
  - PeopleSoft Enterprise
  - JD Edwards EnterpriseOne
  - JD Edwards World

- Senior leadership for PeopleSoft team:
  Joel Summers

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Oracle Development

- Making organizational changes to drive consistency with PeopleSoft

- Continuing to build next release of Oracle E-Business Suite

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7

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Spanning the Bay
Applications Strategy Team

- Focusing on the combined business
  - Maintaining consistency in pursuit of current plans
  - Ensuring convergence in path to successor product

- Comprised of both PeopleSoft and Oracle employees

- Senior leadership for team: Jesper Andersen

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8

Page 8

Spanning the Bay
Tools and Technology

- Focus on next generation applications platform

- Leveraging latest Oracle technology for scalability, availability, security and performance

- Combining productivity of PeopleSoft tools with open, standards-based Oracle architecture

- Senior leadership for team: Cliff Godwin

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Product Roadmap*

* The following is intended for information purposes and may not be incorporated into a contract.

10

CY 2005 Release Plan

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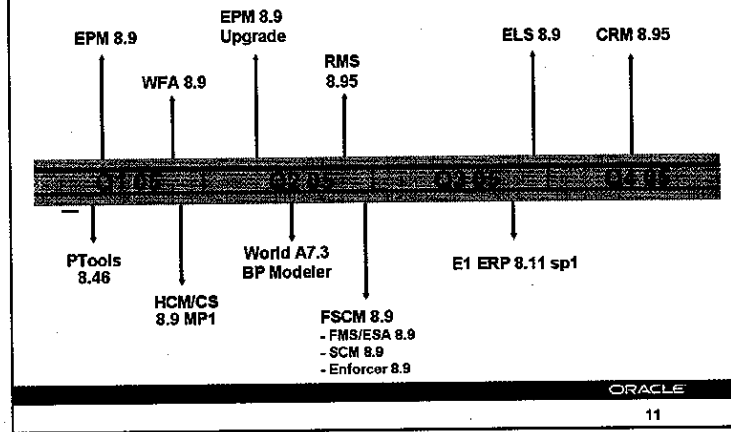
Oracle Applications

Release 11.i.10 – Generally Available

- Significant investment in business intelligence

- Continued focus on customer-driven requirements

- Heavy focus on industry differentiating capability

- Innovation with data hub: customer, product, etc.

- Innovation with industry transaction bases

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Page 12

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ORCL00229196

CY 2006 Release Plan
Continue Enhancing Products

PeopleSoft Enterprise 9.0

JD Edwards EnterpriseOne 8.12

JD Edwards World enhancements

Oracle E-Business Suite 12

- New versions of PeopleSoft Enterprise, JD Edwards EnterpriseOne, and Oracle E-Business Suite
- Ongoing maintenance and regularly scheduled enhancements for JD Edwards World

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13

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Project Fusion

A winning combination –
next generation platform supporting the best
features, flows and security rules of all products

- Deliver Information Age Architecture for applications this year
- Deliver Data Hubs and Transaction Bases on new architecture beginning in 2006
- Make upgrades seamless from existing Oracle, PeopleSoft and JD Edwards applications

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ORCL00229198

Project Fusion Architecture

- Java-based, service-oriented development platform

- Modularized for flexible deployment,
  optimal performance and easy maintenance

- Data Hubs and Transaction Bases provide
  early examples

- Absolute focus and commitment of Oracle's Database
  and Application Server development teams

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Project Fusion Applications

███████████████████████████████████

- Robust, configurable business process automation
- Strong industry-specific capabilities
  (engineering, service and manufacturing origins)
- Superior usability
- Real-time information access and reporting
- Shared data model providing single source of truth

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Product Roadmap

JD Edwards World enhancements ────────────►

Continue releasing PS Enterprise R8.9 Fusion Architecture	PeopleSoft Enterprise 9.0 JD Edwards EnterpriseOne 8.12 Oracle E-Business Suite 12 First use of Fusion technology · Data Hubs & Transaction Bases	Individual Fusion Applications	Fusion Applications Suite

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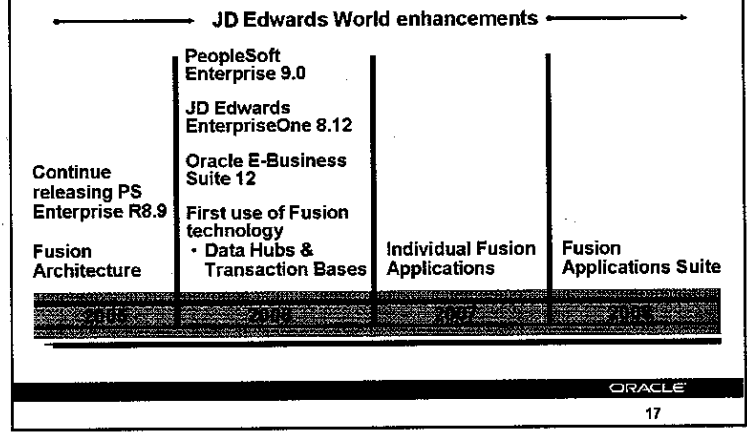
Product Support Roadmap

- Providing support through at least 2013 for:
    - PeopleSoft Enterprise
    - JD Edwards EnterpriseOne
    - JD Edwards World

- Extending EnterpriseOne support to February 2007 for versions XE and 8.0

- Otherwise, adopting PeopleSoft's release retirement policies

- Continuing to maintain currently supported hardware platforms, databases and operating systems

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Harry You
CFO
Oracle Corporation

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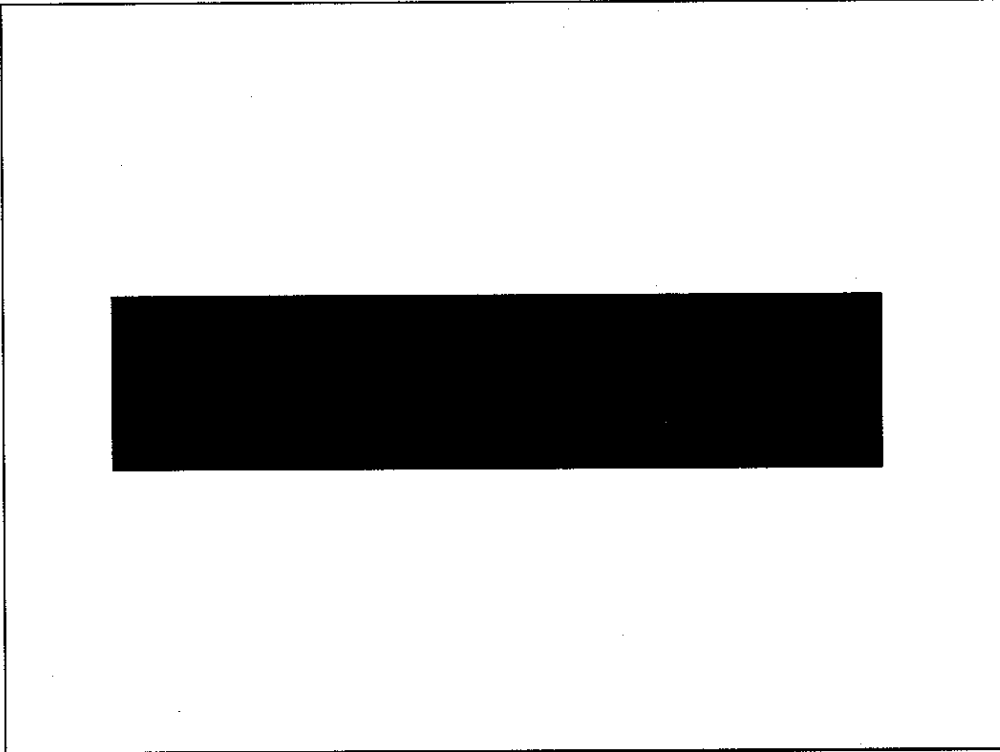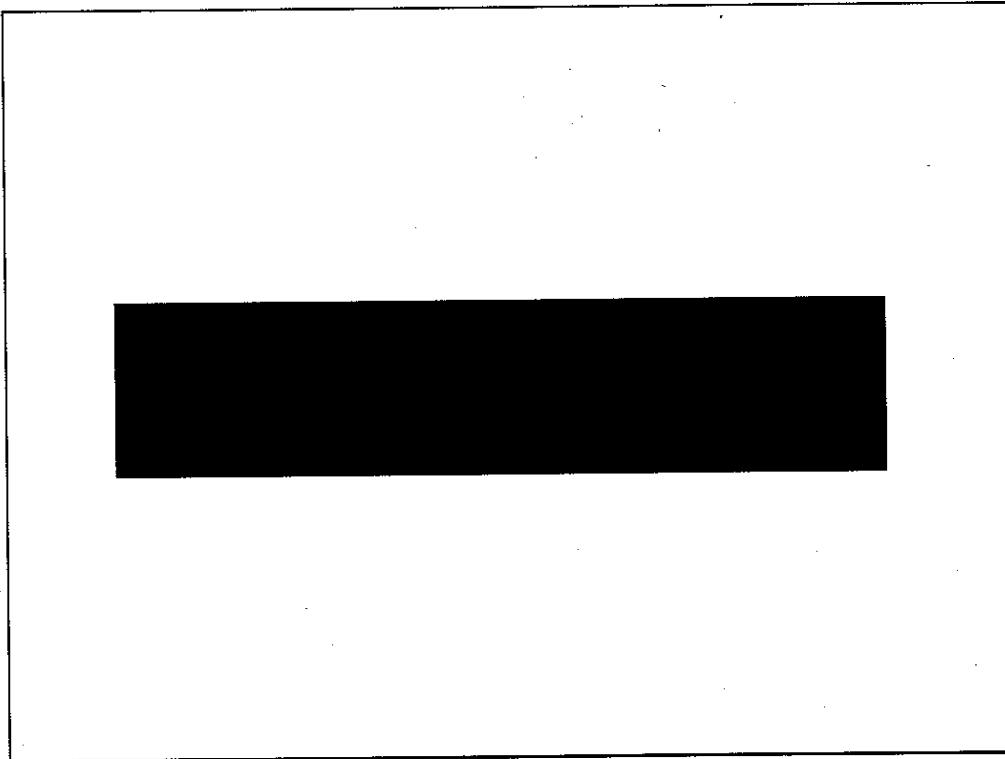
Caveats - Preliminary Projections

- "Pro forma" financials are preliminary
- Purchase accounting data not finalized
- PeopleSoft audit is in progress

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EPS Guidance Announcement

- FY06 pro forma EPS guidance: $0.76 – 0.80
  - New License revenues of $4.3 – 4.6 billion
  - Total revenues of $14.1 – 14.5 billion
  - Approximately $0.08 accretion from PSFT (back-loaded)
- FY06 GAAP about $0.11 – 0.12 less
- Reaffirm 2HFY05 guidance $6.9 – 7.2 billion
- FY05 target of $0.62 pro forma EPS

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Long-Term Growth Rate Target

- Baseline organic growth (5 years) of 15%
- Revenue growth
- Margin mix continues improvement
- SG&A composition
- Long-term operating margin target of 50%
- Acquisitions
- Repurchases

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Financial Details

- Overview of the acquisition
- Integration guidance
- Purchase accounting guidance
- Financing guidance
- Pro forma combined companies guidance
- Financial objectives/policies

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Financial Details

- **Overview of the acquisition**
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Ownership Thresholds

$7.9b
299M Shares
75% Owned

$10.1b
380M Shares
95% Owned

$10.6b
400M Shares
100% Owned

Tender
Expired
Midnight, Tuesday, Dec 28,
2004

Extended Tender
Concluded
8pm, Thursday Jan 6,
2005

Short-Form Merger
Effected
Friday, January 7,
2005

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Uses and Sources of Funds
($ in billions)

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Acquisition Overview:
Future Income Statement Presentation

Relates to amortization of
identified intangible assets

One time charge

Acquisition
Related

Amortization of intangible assets
In-process research and development
Acquisition related charges
Restructuring charges

Relates to ongoing acquisition costs that
are not capitalizable in purchase
accounting

Relates to expenditures incurred for
termination of Oracle employees or
exit costs associated with Oracle
facilities

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FY06 Summary Pro Forma
Combined Income Statement
$ In Billions, except for Earnings Per Share

Total Revenue (pro forma)	$14.1 – 14.5
Operating Income (pro forma)	$5.8 – 6.2
Interest Expense	($0.2)
Net Income (pro forma)	$4.0 – 4.3
EPS (pro forma)	$0.76 – 0.80

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Financial Details

- Overview of the acquisition
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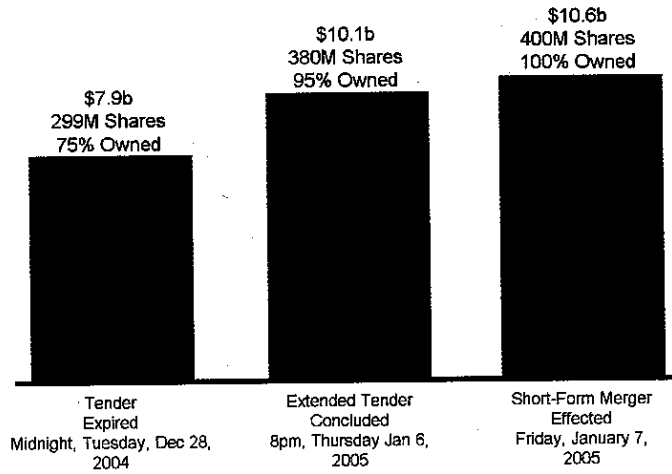- Financial objectives/policies

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Synergy Summary
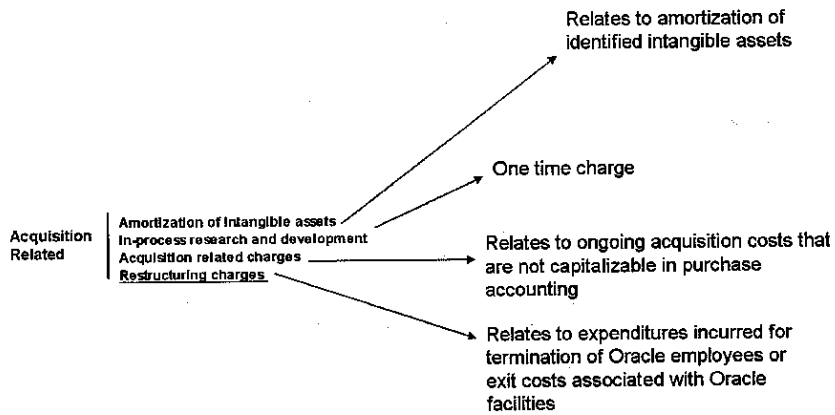
- Expect to retain over 95% of recurring maintenance revenue due to support commitments and product roadmap
- Upsell and cross-sell opportunity to the larger customer base
- Expanded sales and services capacity to provide significant license and professional services upside
- Increase speed of innovation by increasing R&D spending
- Rationalized overlapping G&A functions
  - Leveraging Oracle's simpler and more efficient processes
  - Eliminated redundancy in Finance, Tax, Legal, Procurement, Manufacturing, HR, and other areas
  - Run systems on Oracle's Global Single Instance

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Acquisition and Restructuring Charges

- Acquisition charges related to restructuring of PSFT operations anticipated to be $400-600 MM

    - Most significant elements: severance and real estate

    - Headcount reductions initiated on January 14th

    - Rationalizing 14.5 MM square feet of real estate

- Oracle restructuring charge (P&L) estimated at $100-300 MM, mainly for severance

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Other Cost-Cutting Opportunities

- Opportunities to increase use of lower-cost regions for range of standardized functions
- Expand use of automation for traditional manual tasks
- Excess capacity in global infrastructure to handle increases in transaction volume
- Leverage Oracle's simpler, more efficient processes for the combined companies
- Opportunities to improve cash flow and Economic Value Added (EVA)

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75% of PSFT customers run on Oracle and a significant % of JDE Customers

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Other Synergy Opportunities

- Increase win rate in new customer opportunities
- Extend coverage down-market and into emerging markets (i.e., China)
- Increase penetration of the Oracle infrastructure offering into the acquired customer base
  - Oracle Database
  - Oracle Application Server
  - Oracle Collaboration Suite
  - Oracle Data Hubs
- Offer On Demand services to existing PeopleSoft and JD Edwards customers

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Key Balance Sheet Items At Close
$ In Billions

Deferred Revenue Write-Off	$0.575 – 0.875
Restructuring Reserve	$0.4 – 0.6
Goodwill	$6.0 – 8.5
Amortizable Intangibles	$3.2 – 3.7

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Confidential Information

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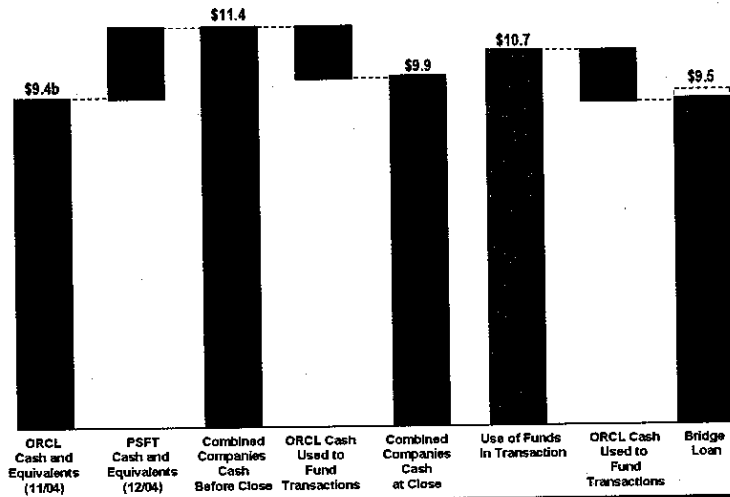
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Financing at Close of Transaction

(\$ In billions)

Bar chart with the following labeled values and categories:

Category	Value
ORCL Cash and Equivalents (11/04)	\$9.4b
PSFT Cash and Equivalents (12/04)	
Combined Companies Cash Before Close	\$11.4
ORCL Cash Used to Fund Transactions	
Combined Companies Cash at Close	\$9.9
Use of Funds in Transaction	\$10.7
ORCL Cash Used to Fund Transactions	
Bridge Loan	\$9.5

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Bridge Paydown Plan

($ In billions)

Chart showing bridge loan paydown with categories: Bridge Loan at Close ($9.2b), Unrestricted Cash On Hand Plus 3FQ05 And 4FQ05 Free Cash Flow, Bridge Before Takeout Financing ($6.4), CP Issuance, Notes Issuance* ($3.4).
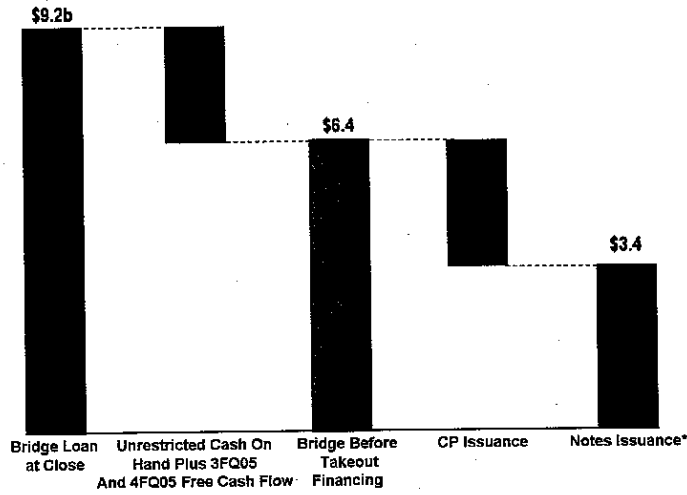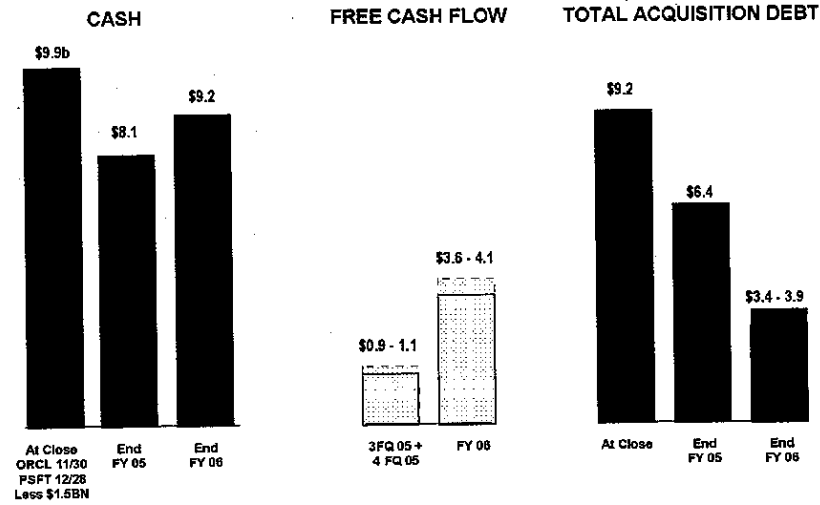
* HIA: Analyzing January 13th guidance; will present findings of evaluation to the Board when evaluation is completed.

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Prospective Cash and Total Debt

($ in billions)

CASH

$9.9b

$8.1

$9.2

At Close
ORCL 11/30
PSFT 12/28
Less $1.5BN

End
FY 05

End
FY 06

FREE CASH FLOW

$3.6 - 4.1

$0.9 - 1.1

3FQ 05 +
4 FQ 05

FY 06

TOTAL ACQUISITION DEBT

$9.2

$6.4

$3.4 - 3.9

At Close

End
FY 05

End
FY 06

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FY06 Tax Rate and Share Count

- Estimated Tax Rate: 30%
- Weighted Average Diluted Shares: 5.31 billion

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FY06 Summary Pro Forma Income Statement
$ In Billions, Except Per Share Amounts

Total Revenue (pro forma)	$18.1 – $18.5
Operating Income (pro forma)	$5.6 – $6.2
Interest Expense	$0.4
Net Income (pro forma)	$4.0 – $4.5
EPS (pro forma)	$0.76 – $0.80

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FY06 Summary Cash Flow
$ In Billions

Net Income (GAAP)	$3.0 – $3.6
Total Operating Cash Flow	$3.6 – $4.5
Capital Expenditures	$0.2 – $0.3
Free Cash Flow	$5.1 – $4.5
Net Equity Repurchases (Issuance)	($0.2) – ($0.3)

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Summary Credit Ratios

	FY02	FY03	FY04	LTM Ended 11/30/04	FY06
Debt / Capital	5%	5%	2%	2%	43%
Total Debt / EBITDA	9%	10%	5%	4%	160%
EBIT / Interest Expense	179	211	186	233	25

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Financial Details

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Oracle's Quality of Earnings

- High ROE and margins
- No share dilution
- Conservative accounting
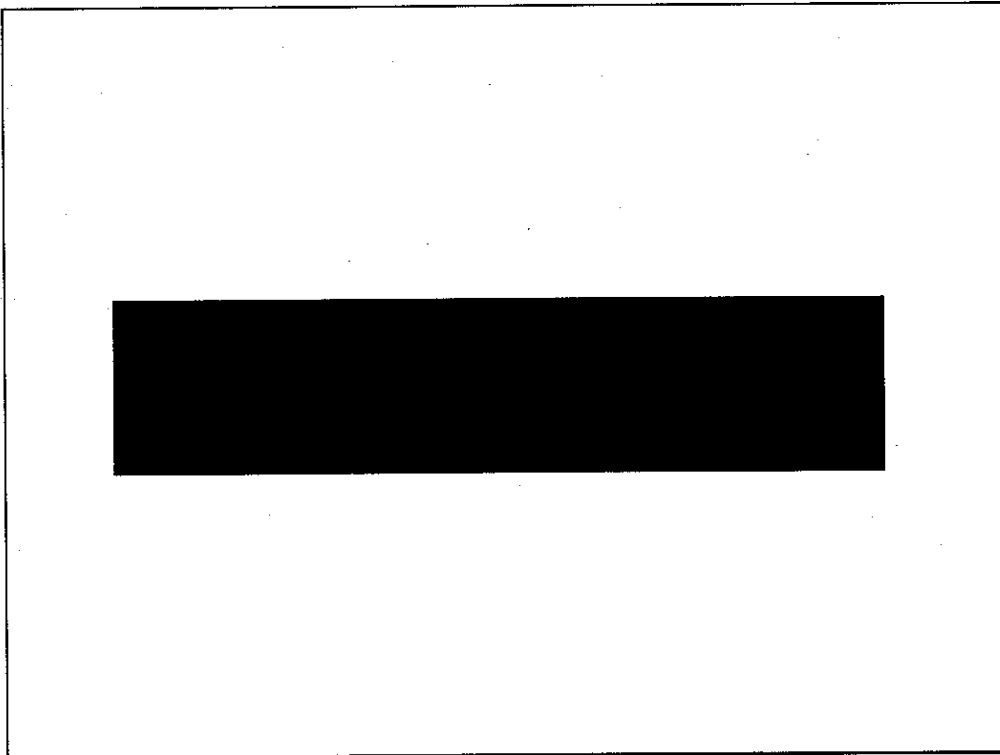- Strong cash flow generation
- Consistent profitability
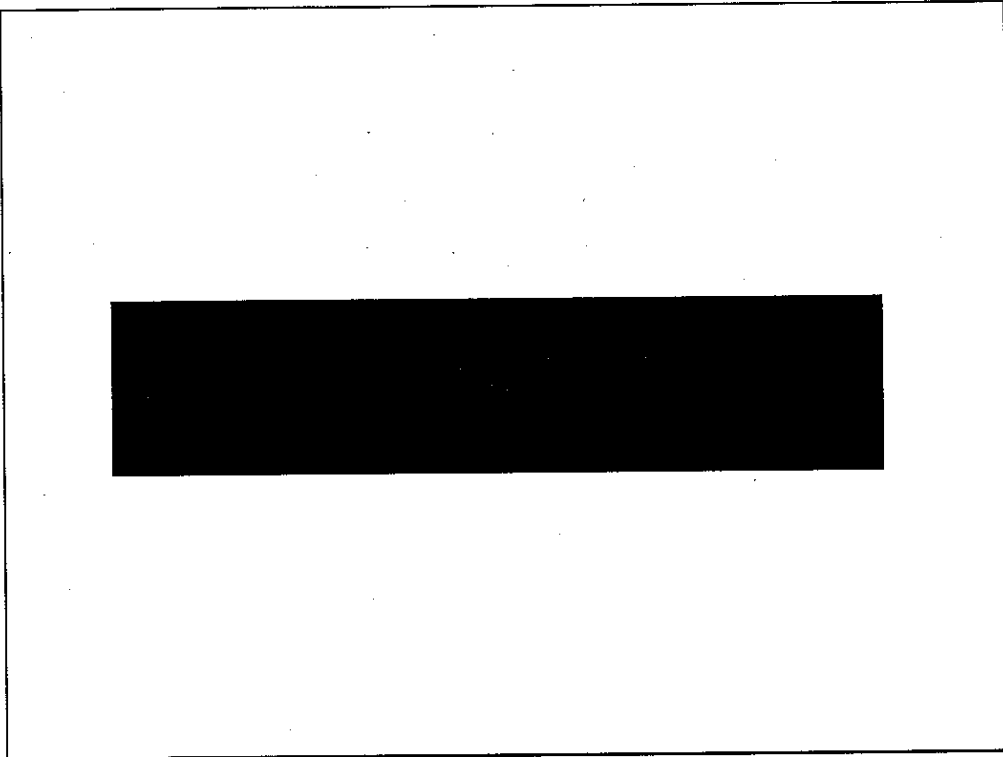
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Financial Policies / Long-Term Objectives

- Grow software revenues faster than our competitors
- Expand operating margins yearly
- Maintain "AAA" level credit ratios
- Improve predictability / reliability of earnings and cash flow
- Grow earnings at 2x or greater long-term S&P 500 operating earnings growth rate of 6-7% (i.e., 15%)
- Continually improve our disclosure and communications
- Maintain high quality of earnings, with free cash flow increasingly exceeding net income

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Harry You
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Safe Harbor

Our discussion may include predictions, estimates or other information that might be considered forward-looking. While these forward-looking statements represent our best current judgment on what the future holds, they are subject to risks and uncertainties that could cause actual results to differ materially. Throughout today's discussion, we will attempt to present some important factors relating to our business that may affect our predictions. You should also review our most recent Form 10-K and Form 10-Q for a more complete disclosure of risk factors.

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Today's Agenda

- **Larry Ellison**
  Strategic Direction
  Q&A
- **Chuck Rozwat**
  The Oracle Platform
  The Customer Experience with CSFB
- **Edward Screven**
  Oracle Information Architecture
- **John Wookey**
  Applications Roadmap and
  PeopleSoft Support Delivery Model

- Q&A with Chuck Rozwat,
  Edward Screven, and John Wookey

- **Juergen Rottler**
  Oracle Support and On Demand Capabilities
- **Charles Phillips**
  Strategies for Growth
  The Customer Experience with MasterCard
- **Safra Catz**
  PeopleSoft Integration Update
- **Harry You**
  Financial Overview
- Q&A with Charles Phillips,
  Safra Catz, and Harry You

- Meet and Greet with Executives

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