

Overview and Frequently Asked Questions

Overview

Oracle Buys AdminServer Expands Oracle's Applications Drive into Insurance

Oracle has acquired AdminServer, a rapidly growing provider of insurance policy administration solutions. AdminServer's product offering will become a core component of Oracle's existing insurance industry software footprint that is already used by more than one thousand insurers including 20 of the top 20 global insurance companies. The combination is expected to result in a comprehensive, end-to-end insurance policy management solution that can service multiple insurance product lines such as life, annuities and reinsurance.

To meet their growth and profitability goals, insurers need flexible systems to rapidly introduce new and differentiated products, support diverse sales channels and reduce costs. Most current solutions are still reliant on legacy technology and inflexible products. Insurers require new systems that can effectively meet their goals and automate the entire insurance policy life cycle, including integration with legacy and other enterprise systems.

AdminServer provides flexible and rules-based insurance solutions built on modern technology that supports sales, new business and policy processing across multiple lines of business, including life, annuities and reinsurance. AdminServer has been recognized by insurance industry analysts as providing the most functionally rich and technologically advanced system in the industry. AdminServer's policy administration solutions help global insurance companies gain competitive advantage, enhance customer service, and improve operations and business performance.

AdminServer products will become a core component of Oracle's leading insurance portfolio, adding the only rules-based and user configurable policy administration system that is part of a complete insurance policy life cycle solution. The combination is expected to

create an industry-leading, integrated solution that can effectively manage the entire insurance enterprise, including Oracle's database and middleware for technical infrastructure, Oracle Applications to support general business and industry-specific functions, and AdminServer for insurance policy life cycle management. The combined solution is expected to deliver greater business insight and increased customer loyalty to insurers, and also help them bring insurance products to market faster and at a lower cost.

AdminServer's management and employees will form a dedicated global business unit within Oracle focused on solutions for the insurance industry.

CUSTOMER BENEFITS

The combination of Oracle and AdminServer is expected to provide customers with the following benefits:

- Reduce time to market: dramatically shorten the insurance product development and introduction life cycle by integrating AdminServer's rules-based policy administration capabilities with existing Oracle analytics, customer relationship management and distribution management solutions.
- Improve operational management and reduce cost: increase end-to-end process efficiency and reduce total cost of ownership by integrating business processes supported by Oracle Application Integration Architecture and that span functional areas such as financial management, customer relationship management and insurance policy management.

- Provide a transparent 360-degree view of the customer and the business: the integration of customer, policy and financial data is expected to give insurers a single integrated dashboard with a comprehensive view of customer activity, customer and policy profitability, and distribution channel effectiveness. Insurers are expected to gain both business efficiency and the ability to meet escalating complex regulatory requirements such as Sarbanes-Oxley, Solvency II and the Patriot Act.
- Simplify relationships: customers will receive support from a single vendor that spans their end-to-end business processes.
- Access to world-class expertise: AdminServer's industry experts combined with Oracle's global presence will provide improved customer support for insurance industry solutions.

PARTNER BENEFITS

The combination is expected to provide partners with the following benefits:

- Simplify relationships: a single vendor to address customer needs for integrated, end-to-end insurance solutions. Partners are expected to benefit from AdminServer's best-in-class solutions for insurance policy life cycle management, as well as Oracle's worldwide resources and partner ecosystem.
- Expanded application footprint: system integrators specializing in insurance are expected to have the opportunity to provide world-class solutions to customers through an expanded application footprint. In addition, Independent Software Vendors are expected to benefit from the opportunity to leverage the combined, broader footprint.
- Global solutions: value-added resellers are expected to be able to expand their portfolios by providing insurance solutions globally.

Frequently Asked Questions

BUSINESS RATIONALE

What is the rationale for this acquisition?

Oracle is committed to expanding its leadership in the insurance industry by creating the most comprehensive, integrated, open and

modern software suite. The acquisition of AdminServer extends Oracle's insurance industry applications software footprint by adding world-class policy administration solutions. Oracle and AdminServer have complementary products with a shared belief that the adoption of modern systems and adaptive business processes are required for achieving insurers' revenue and profitability goals. Oracle plans to accelerate the pace of innovation and integration of AdminServer's products, which will be combined with Oracle's industry leading database, middleware, and enterprise applications.

Insurance is a strategic industry segment for Oracle with growth focused on integrated packaged applications. The need for flexible systems to support new product introduction and differentiation, sales channel diversity, and cost reduction are fueling a cycle of information technology investments in the insurance industry. Modern systems that can easily and cost effectively integrate with legacy systems represent the highest priority software spend for insurers. AdminServer provides core insurance industry solutions with a suite of products that support sales, new business and insurance policy processing across multiple insurance product lines.

Oracle will draw upon AdminServer's employees and core insurance industry solutions to create a global business unit specifically focused on the insurance industry. This aligns both with our strategy to address distinct industry verticals and our commitment to meet the needs of the insurance industry.

Why did Oracle select AdminServer to extend its insurance strategy?

AdminServer offers functionally rich and technologically advanced insurance policy administration and new business solutions for the insurance industry. AdminServer's best-in-class policy administration solutions are recognized by customers, partners and industry analysts as the leading solution for insurers who need to replace legacy insurance policy systems. Founded in 1998, AdminServer helps insurers improve their business processes, reduce system costs and provide increased customer service and overall value to their customers. AdminServer has a diverse customer base including industry-leading life, reinsurance and annuity insurance companies. AdminServer's management and employees have considerable experience in the insurance industry and will be the foundation of Oracle's newly formed insurance global business unit.

How will the acquisition of AdminServer accelerate Oracle's strategy to build out solutions for the Insurance industry?

The combination of Oracle and AdminServer is expected to provide a comprehensive, integrated software solution for insurance including policy life cycle management, customer relationship management, business management and analytics on a modern, open-standards platform. This includes processes that span insurance illustration — from quoting and new business underwriting, to policy administration, to claims and financial management. AdminServer's leading product portfolio combined with Oracle's infrastructure and applications software and extensive R&D budget will help insurance customers transform their operations to support business growth and profitability.

Product Overview and Strategy

What products do AdminServer currently develop and support?

AdminServer is a provider of insurance policy administration solutions that model, issue and manage life, property, casualty, and employee benefit policies for insurance companies.

- AdminServer Policy Administration Server (PAS) is a comprehensive, multi-line policy solution that provides insurers a flexible, rules-based environment for rapidly bringing products to market. By extending pre-defined product templates, insurers can quickly define custom products and user-defined transactions and add new business processes and regulatory requirements at the product, product line or company level. AdminServer PAS can be easily integrated with Oracle's PeopleSoft Enterprise Financial Management, Siebel for insurance and Oracle's insurance billing solutions.
- AdminServer Illustration Server models and presents insurance policy projections to provide better customer service during the sales process.
- AdminServer New Business Server manages the application, underwriting and issuing processes for insurance policies.
- AdminServer UVServer manages investment-backed life insurance and annuity products.

How is this acquisition expected to impact on-going development of AdminServer solutions?

Oracle plans to support customers' investments in AdminServer products, which will become a core component in Oracle's insurance applications portfolio. Research and development investments in AdminServer solutions are expected to increase as it shares in Oracle's \$2.1 billion R&D budget.

How do AdminServer's products compare with the solutions currently in Oracle's insurance application portfolio?

AdminServer products are highly complementary to Oracle's existing insurance product portfolio. AdminServer's products are built specifically for global insurance companies and will be a core component of Oracle's newly formed insurance global business unit.

What are Oracle's insurance offerings and how does AdminServer fit into Oracle's overall insurance solution strategy?

Oracle currently provides solutions that support front- and back-office insurance processes — from sales and new business, to billing and claims, and including the leading ERP solution for the insurance industry. Through comprehensive and open software solutions, Oracle insurance industry software can be deployed as an end-to-end suite, or integrated with legacy solutions or niche applications. Oracle's infrastructure and applications solutions are used by more than one thousand insurance providers, including 20 of the top 20 global insurance companies.

By combining AdminServer as a core component in its insurance applications portfolio, Oracle expects to provide customers with a fully integrated, modern solution for end-to-end insurance policy life cycle management — from sales, to service to financials, including:

- Combined sales and new business / underwriting processes that increase marketing effectiveness, sales efficiency and underwriting speed and accuracy through integration with Oracle's Siebel CRM insurance products.
- Policy administration, premium billing and enterprise financials that together increase financial accuracy, cash flow efficiency and regulatory compliance through integration with Oracle's billing solution for insurance, Oracle E-Business Suite and Oracle's

PeopleSoft Enterprise Financial Management.

- Complete end-to-end claims processing with Oracle's Siebel Claims to handle all processes from first notice of loss to full claims accounting.
- Centralized distribution partner, insurance policy and customer data available to the entire enterprise to support integrated selling and services initiatives through Oracle master data management applications.
- Robust policy life cycle analytics including executive dashboards, performance metrics and fraud analysis through integration with the Oracle Business Intelligence product suite.
- Comprehensive line of business coverage with complementary Castek property and casualty solutions from Oracle.

In total, by integrating AdminServer's core insurance business functionality with ERP and CRM systems and a modern, open-standards platform, Oracle expects to provide solutions that help customers bring insurance products to market faster and at a lower cost.

Will Oracle continue to support customers running AdminServer solutions with non-Oracle technology platforms?

Oracle plans to continue to support AdminServer products on non-Oracle technology platforms to serve customer needs.

How compatible are AdminServer products with Oracle's products?

AdminServer and Oracle solutions are highly compatible. AdminServer already has demonstrated success with Oracle customers. AdminServer Policy Administration Server is integrated today with Oracle's CRM, ERP and insurance billing solutions.

How does Oracle plan to maintain AdminServer's industry and domain expertise?

AdminServer brings significant technology and domain expertise in the insurance industry. AdminServer management and employees will become the foundation of the insurance global business unit being formed within Oracle.

Customers and Partners

How is the acquisition of AdminServer by Oracle expected to benefit AdminServer customers?

AdminServer customers are expected to benefit from this transaction in a number of ways:

- Increased R&D investment in AdminServer products
- Investment extensions and enhancements as AdminServer and Oracle implement plans to provide better integration of their complementary solutions
- Access to Oracle's global support and services organizations

How will customers' investments in AdminServer solutions be protected by Oracle?

Oracle intends to continue to support and enhance AdminServer products as a core component of its insurance industry applications portfolio.

How will Oracle continue to support and broaden relationships with AdminServer partners?

We expect business to continue as usual for AdminServer partners. To provide for a smooth transition, existing AdminServer partner contracts are expected to remain in effect until they expire or until further notice. As contact information changes, we will communicate these changes through normal channels.

Partners are essential to Oracle's economic and growth strategy. In addition to increased product support and investment, AdminServer partners are expected to benefit from OraclePartnerNetwork, our global world-class partner program, which provides access to a broader portfolio of solutions, comprehensive resources to support partner business and opportunities for growth with Oracle.

How is this acquisition expected to impact any existing project, deployment, or services engagements?

It is not expected that this transaction will impact any existing project, deployment or services engagement.

How will Oracle provide for a smooth integration of the two companies?

Oracle is very focused on customer satisfaction and plans to provide for a smooth transition without customer disruption. We are experienced with integrating companies quickly and efficiently. Oracle will provide dedicated personnel from key functional areas for integration and utilize proven templates and processes for repeatable success in integration. In addition, we will communicate regularly throughout this process to keep customers and employees well informed.

Business Continuity

Can I still purchase AdminServer products?

Yes, Please contact your existing AdminServer sales representative to assist you, or visit www.AdminServer.com for contact information.

Should AdminServer customers continue to call AdminServer customer support?

Yes, AdminServer customers should continue to use existing AdminServer contacts for support, professional services and sales to address immediate and ongoing needs. We will communicate all changes and transitions well in advance through these familiar channels.

Should AdminServer customers continue to contact their AdminServer sales representative?

Yes. Until further advised, customers should continue to rely on existing relationships.

Will training on AdminServer products continue?

Yes. We plan to combine the AdminServer education program with Oracle University. We want to ensure that our customers' software provides the best possible service for their organizations, and we know excellent training is critical to reach that goal.

Will the AdminServer leadership and employees be retained?

The goal of this combination is to complement the offerings of Oracle. The acquisition of AdminServer demonstrates Oracle's commitment to providing leading insurance industry solutions. AdminServer employees have significant domain expertise in insurance policy administration and will be integral to the insurance global business unit being formed within Oracle.

What is the acquisition integration timeline?

We will provide updates to customers regarding future integration plans, as they become available.

Where can I find out more information about the Oracle and AdminServer combination?

For more information, please visit oracle.com/AdminServer

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