



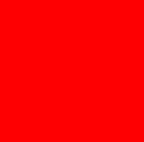
ORACLE®



Oracle Buys Advanced Visual Technology

**Enhances Oracle's Insight-Driven Retail Solution Suite with
3D Visual Macro Space Planning**

October 8, 2008



The following is intended to outline our general product direction. It is intended for information purposes only, and may not be incorporated into any contract. It is not a commitment to deliver any material, code, or functionality and should not be relied upon in making a purchasing decision. The development, release, and timing of any features or functionality described for Advanced Visual Technology (AVT) products remains at the sole discretion of AVT. The development, release, and timing of any features or functionality described for Oracle's products, whether communicated by AVT or by Oracle after the close of the acquisition, remains at the sole discretion of Oracle.

What are We Announcing

- Oracle buys Advanced Visual Technology Ltd. (AVT)
 - Enhances Oracle's Insight-driven Retail solution suite with 3D visual macro space planning
 - Transaction closed on October 8, 2008.
- About AVT
 - AVT is a leader in 3D visual macro space planning solutions
 - Founded in 1997, Headquartered in St. Albans, United Kingdom
 - Customers include leading retailers such as Tesco and SuperValu
- The combination is expected to provide a comprehensive space management solution to help retailers get the highest return from their floor space investment
 - AVT provides 3D visual macro space planning, collaboration and execution solutions that enable retailers to optimize the use of their store-specific floor space
 - Oracle provides comprehensive retail solutions which include category management, assortment, and space optimization capabilities
 - Combined solution is expected to enable collaboration, reduce inventory costs and increase customer loyalty
- AVT's management and employees to join Oracle's Retail Global Business Unit

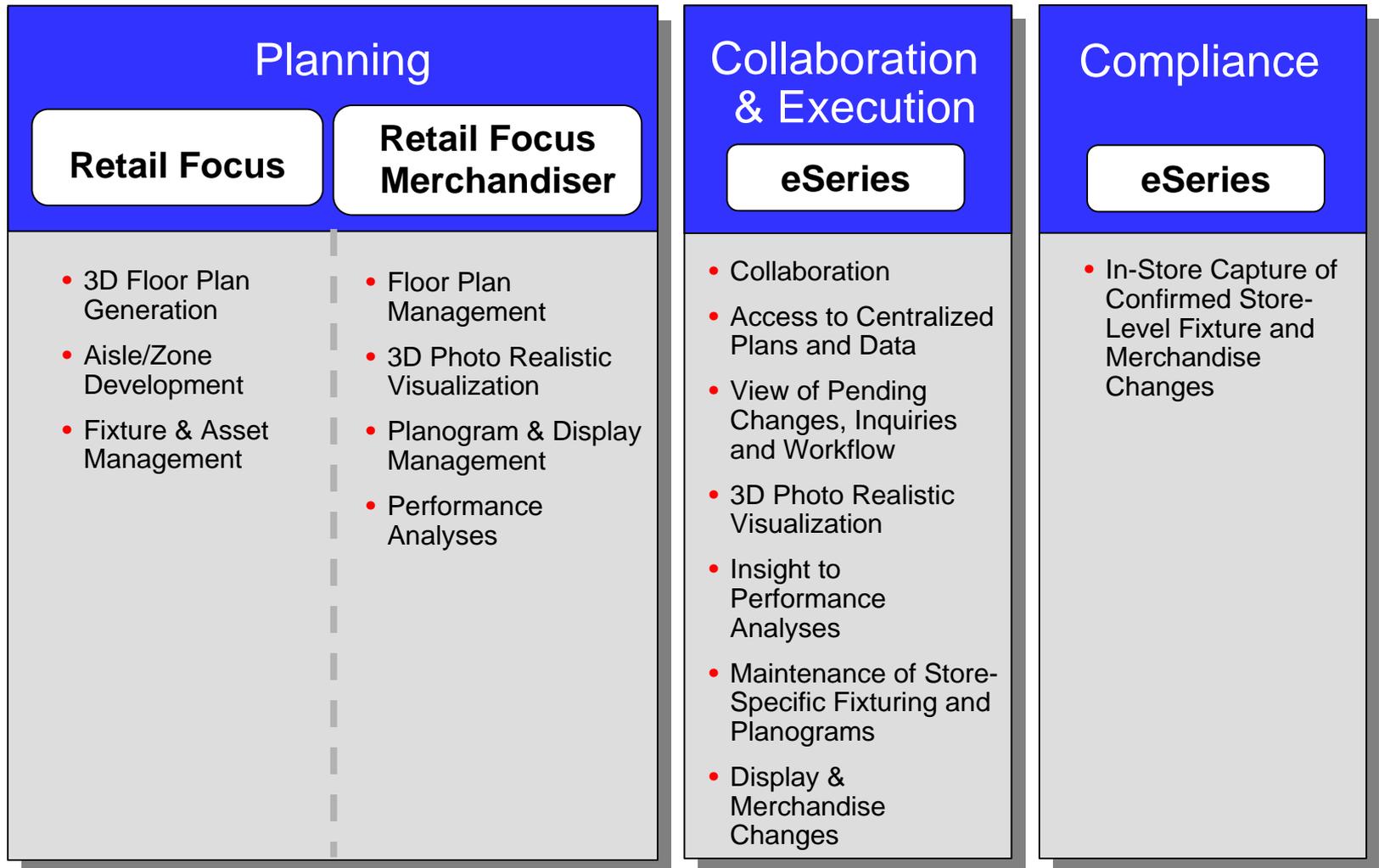
Strategic Importance to Oracle

- The changing business landscape is putting greater pressure on retailers to maximize profits from every inch of their store
 - Asking store personnel to force-fit “average” space planning decisions from HQ contributes to lost sales of \$6B across the industry ⁽¹⁾
 - Increase of in-store services are changing store formats and reducing merchandising space
 - Retailers are pursuing localization and customization strategies to improve store profitability
- Collaborative space planning and compliance between corporate, stores and suppliers is a top priority
 - A 10 percent change in planogram compliance results in a 1 percent change in the level of out of stocks⁽²⁾
 - Ensures localization and increase sales by reducing out-of-stocks
- The combination of Oracle and AVT supports Oracle’s Insight Driven Retail Strategy
 - Connects space planning with store execution to support space management lifecycle
 - Oracle Retail Business Intelligence and Retail Workspace with AVT’s 3D plans link business plan performance to a store’s visual depiction
 - Combines macro space planning with store level assortment and promotional planning to optimize a store’s retail promotions

Why AVT

- AVT is a leader in 3D visual macro space planning solutions
 - Enables leading retail companies such as Tesco, SuperValu, The Container Store and The Carphone Warehouse to plan and execute their retail floor space
 - Provides photo-realistic store plans that help deliver profitable allocation of merchandise across total store space
 - Promotes planning and collaboration between corporate, store and suppliers
 - Ensures store-level compliance by enabling in-store capture of retail space allocations, visibility of store level execution and maintenance of macro space plans
- AVT software is highly complementary to Oracle Retail solutions
 - Interface already exists between Oracle Space Optimization and AVT's Retail FOCUS to reconcile store-specific layout and space constraints with assortments
 - AVT's open and standards-based software easily integrates with leading micro space planning solutions
 - Leading Oracle Retail customers already use AVT

AVT 3D Visual Macro Space Planning Solution



AVT Supports Collaboration, Compliance and Improved Store Execution



Delivers Visual Macro Floor Plans

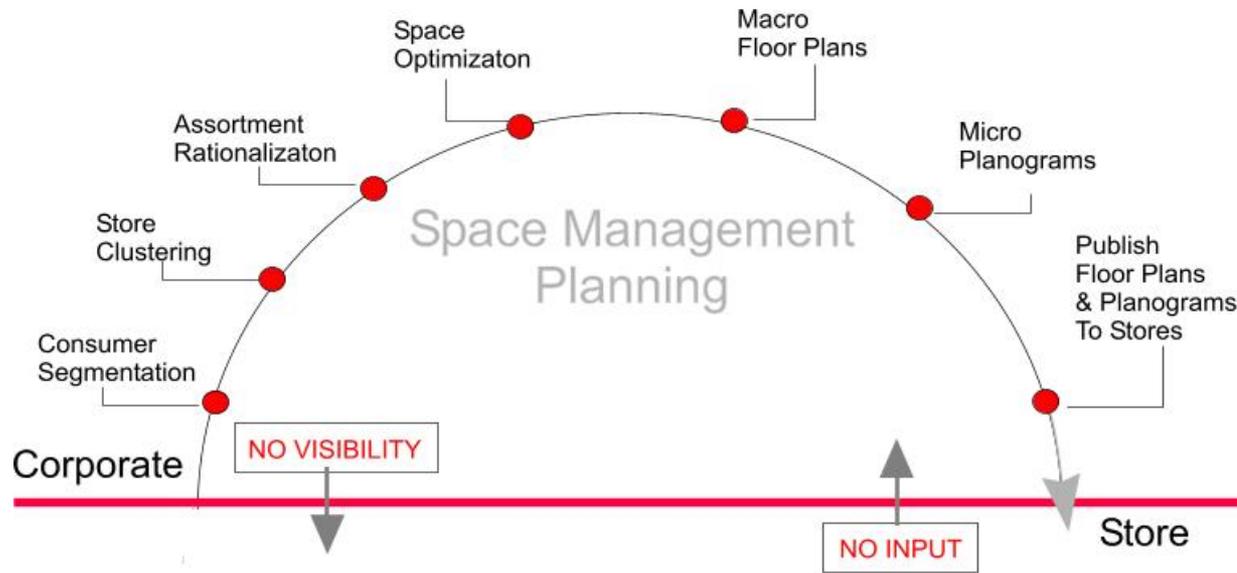
- ✓ Develops 3D photo-realistic floor plans
- ✓ Displays corporate merchandising initiatives
- ✓ Automates store floor map changes

Captures Store Fixture and Merchandise Plans

- ✓ Mobile, store-based applications capture store level merchandising
- ✓ Provides store surveys



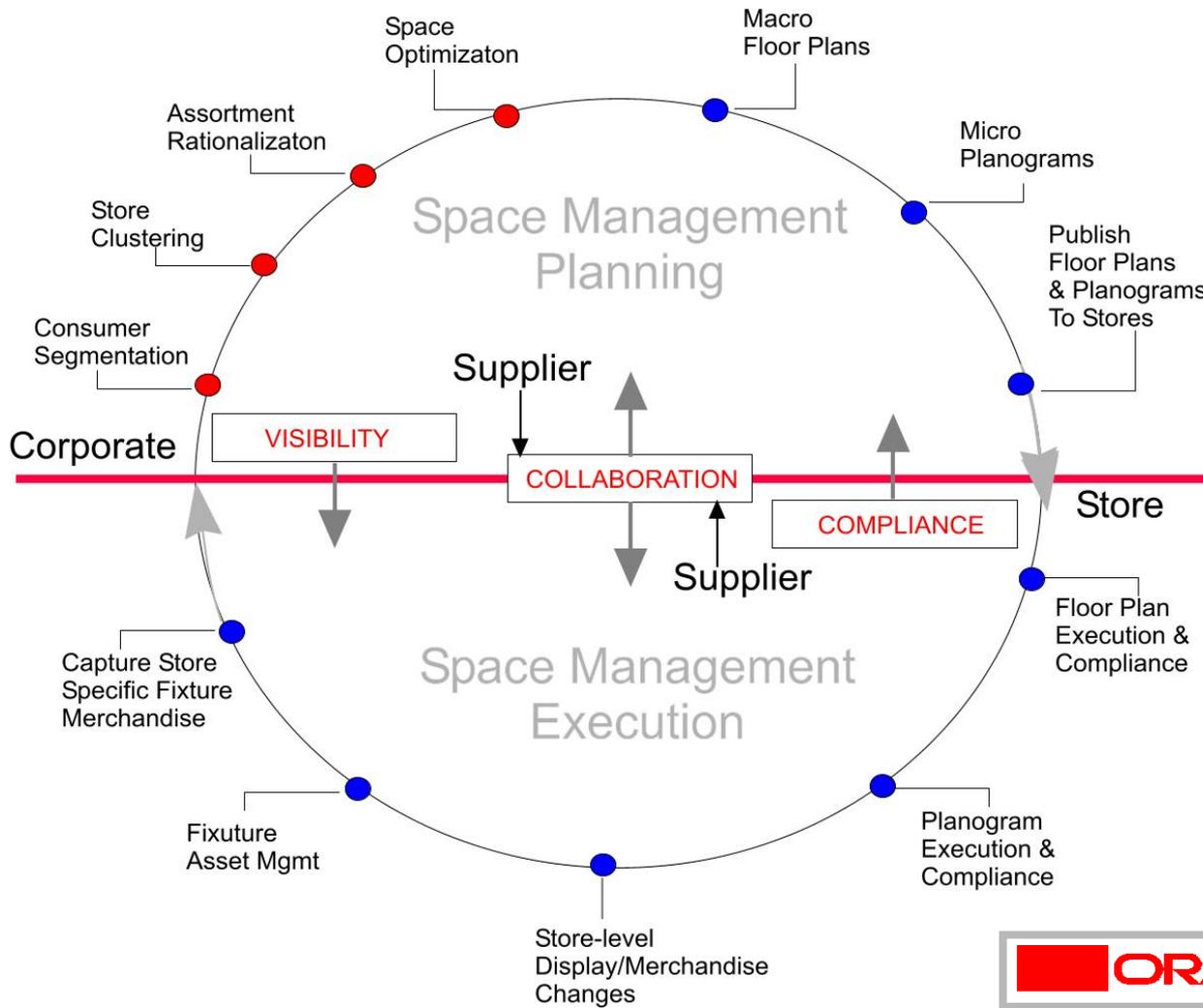
Traditional Space Management is Constrained to Planning



Breakdown of Strategic Merchandise Plan

- Limited corporate visibility of store execution
- Inadequate store input into the planning process
- Floor plans and planograms are not store specific
- Corporate plans are not linked with stores' ability to comply
- Products are not placed optimally for each store's layout
- Removal of key items and brands compromise space allocation

Oracle Combined with AVT Enables Comprehensive Space Management Lifecycle



Net Results

- ✓ Alignment across stores to corporate strategic plan
- ✓ Space plans ensure high product availability
- ✓ Reduction in inventory costs
- ✓ Improved customer experience resulting in increased loyalty



Oracle Retail Footprint

CRM and Marketing

Web Store

Loyalty

Call Center

Sales

Order Mgmt/Pricing/CTO

Field Service

Marketing

Business Operations

Analytics
Customer Demand
Enterprise

Merchandise Planning and Optimization

Demand Forecasting

Merchandise Financial Planning

Assortment Execution

Item Planning

Category Mgmt

Markdown Opt

Space Opt.

Space
Planning

Promotion Opt

Supply Chain Planning

Supply Chain Optimization

Advanced Inventory Planning

Supply Network Optimization

CPFR

Supply Chain Execution

Product Design

Sourcing

Warehouse Management

Transportation Management

Home Delivery

Merchandise Operations

Trade Mgmt

Invoice Match

Merchandising Mgmt

Store Operations

Fresh Item Mgmt

Point-of-Sale

Workforce Scheduling

Store Inventory Mgmt

Learning Mgmt

Returns Mgmt

Store Helpdesk

Task Management

Workforce Comms

Corporate Administration

CPM

Financials

Human Resources

Compensation

Real Estate

Projects

Indirect Procurement

HR Help Desk

IT Help Desk

Integration & Collaboration

Enterprise Infrastructure



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AVT Customers Span Retail Outlets

Grocery/Convenience/
Drug Stores

Hardlines

Apparel



Coles Myer Ltd.



Tesco Streamlines Planning and Execution



Challenges	<ul style="list-style-type: none">• Provide automated, dynamic two-way link to micro space planning tools• Integrate with internal Tesco network• Provide capability to manage an unlimited size area of store• Provide capability to report on very large equipment libraries• Dynamically link merchandise, floor plans and equipment
Solution	<ul style="list-style-type: none">• Retail FOCUS
Business Results	<ul style="list-style-type: none">• Delivered link to micro space planning tools, within Tesco network• Delivered dynamic reports with required specs which reduced time needed to walk stores• Significantly reduced planning and fitting cycles through automatic updates of layouts and equipment• Reduced costs through eliminating misunderstandings between stores and equipment fitters• <i>“We were looking for a simple solution which would embrace other off-the-shelf software packages as well as in-house designed software. With this system, we can streamline our planning process and continuously improve our working practices.”</i> <p style="text-align: right;"><i>Davis Weavers, Head of Space & Format Design</i></p>

Major North American Grocery Chain Achieves ROI within 6 Months of Implementation

Challenges	<ul style="list-style-type: none">• Deliver phased, strategic implementation of store floor planning infrastructure uniting fixtures, planograms and store floor merchandising activities• Initial phase of project to capture promotional merchandising location
Solution	<ul style="list-style-type: none">• Retail FOCUS, Retail FOCUS Merchandiser, eSeries
Business Results	<ul style="list-style-type: none">• Achieved ROI within first six months of implementation• Within 3 months, achieved 100% compliance of every store to capture merchandisable end cap displays which lead to the capture of full fixture/schematic• Bridged source master planogram to store-specific planogram, using Retail FOCUS as the center of hosting and delivery of store specific layout maintenance• Planned Next Phases:<ul style="list-style-type: none">• Capture full store space and planogram placements and integrate with store-specific planograms• Provide a web-hosted graphical tool to display the trading space and manage the complex array of fixture types and planograms including those on promotional locations

The Carphone Warehouse Links Visibility, Collaboration and Compliance

THE Carphone Warehouse

Challenges

- Update store layouts in every store
- Incorporate “space” into store level analyses
- Unite current, disparate reports into one analytical process
- Improve planogram process: monthly desk top publishing-based guide posted to individual stores

Solution

- Retail FOCUS, Retail FOCUS Merchandiser, eSeries

Business Results

- Using Retail FOCUS, a 3rd party delivered a floor plan audit of each of the 2,000 stores, including an exact layout of every store, every slat wall and all non-merchandisable space
- Enabled macro space strategies based on accurate, dynamic store-, cluster- and enterprise-wide analyses
- Using Retail FOCUS Merchandiser, provided the ability to create and publish 3D planograms which link directly to the store plan database
- *“The beauty of Retail FOCUS is that it allowed us to combine elements of our existing tool with its ability to capture and report on space. We now benefit from a single report, down to the slat wall level, taking one of our most valuable assets – space – into consideration.”*

Kevin Godding, Head of Format and Space Planning

Expected Customer and Partner Benefits

- Oracle Customers
 - Complete 3D visual macro space management solution
 - Store-specific floor plans that have been linked to upstream and downstream planning and execution systems
 - Better collaboration between corporate, stores, and vendor partners
 - Increased compliance through store visibility and executable macro space floor plans
- AVT Customers
 - Better alignment between strategy and execution through comprehensive space management
 - Accelerated innovation through leverage of Oracle's \$2.7B development resources
 - Improved customer service through access to Oracle's 24X7 global support and services organization
- Oracle and AVT Partners
 - Technology partners are expected to gain broader opportunities for development based on Oracle's expanded merchandise planning & optimization portfolio
 - System Integrators are expected to be able to provide customers with a single partner to address their needs for complete end-to-end planning & execution solutions
 - Value-added resellers are expected to gain opportunities to provide expanded solutions especially globally
 - All partners gain access to Oracle's worldwide resources and partner ecosystem

Clearly Different

Only Oracle and AVT can deliver ALL of the following:

- Visual space planning and execution solution linked to upstream and downstream business processes
- Real-time collaboration, compliance and maintenance of plans between corporation, stores and vendor partners
- In-store capture and analysis of store space and space changes for accurate planning
- Standards-based interface with micro space planning vendors to enable complete space management
- 3D planning and business intelligence linking business plan performance to a store's visual depiction

Next Steps

- Public announcement
 - October 1, 2008
- Communications with stakeholders
 - Press and Analyst briefings
 - Customer and Partner briefings
- More information can be found at
 - www.oracle.com/avt



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