Oracle Cloud Update

Thomas Kurian
Executive Vice President
Product Development
October 2, 2014
"Safe Harbor" Statement: Statements in this presentation relating to Oracle's future plans, expectations, beliefs, intentions and prospects are "forward-looking statements" and are subject to material risks and uncertainties. Many factors could affect our current expectations and our actual results, and could cause actual results to differ materially. We presently consider the following to be among the important factors that could cause actual results to differ materially from expectations: (1) Economic, geopolitical and market conditions, including the continued slow economic recovery in the U.S. and other parts of the world, can adversely affect our business, results of operations and financial condition, including our revenue growth and profitability, which in turn could adversely affect our stock price. (2) We may fail to achieve our financial forecasts due to such factors as delays or size reductions in transactions, fewer large transactions in a particular quarter, unanticipated fluctuations in currency exchange rates, delays in delivery of new products or releases or a decline in our renewal rates for support contracts. (3) Our cloud computing strategy, including our Oracle Cloud Software-as-a-Service, Platform-as-a-Service, Infrastructure-as-a-Service and Database-as-a-Service offerings, may not be successful. (4) If we are unable to develop new or sufficiently differentiated products and services, or to enhance and improve our products and support services in a timely manner or to position and/or price our products and services to meet market demand, customers may not buy new software licenses, cloud software subscriptions or hardware systems products or purchase or renew support contracts. (5) Our international sales and operations subject us to additional risks that can adversely affect our operating results, including risks relating to foreign currency gains and losses. (6) If the security measures for our software, hardware, services or Oracle Cloud offerings are compromised or if such offerings contain significant coding, manufacturing or configuration errors, we may experience reputational harm, legal claims and financial exposure. (7) We have an active acquisition program and our acquisitions may not be successful, may involve unanticipated costs or other integration issues or may disrupt our existing operations. A detailed discussion of these factors and other risks that affect our business is contained in our SEC filings, including our most recent reports on Form 10-K and Form 10-Q, particularly under the heading "Risk Factors." Copies of these filings are available online from the SEC or by contacting Oracle Corporation's Investor Relations Department at (650) 506-4073 or by clicking on SEC Filings on Oracle's Investor Relations website at http://www.oracle.com/investor. All information set forth in this presentation is current as of October 2, 2014. Oracle undertakes no duty to update any statement in light of new information or future events.
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 purchasing decisions. The development, release, and timing of any features or functionality described for Oracle’s products remains at the sole discretion of Oracle.
Oracle Cloud

Data-as-a-Service

Software-as-a-Service

Platform-as-a-Service

Infrastructure-as-a-Service
Oracle Infrastructure-as-a-Service

- Storage
  - Elastic Block Storage
- Storage
  - Elastic Object Storage
- Compute
  - Elastic Compute

- Secure Identity
  - Identity Administration
- Messaging
  - Mail, Push, Messaging
Oracle IaaS: Elastic Storage & Compute

- OpenStack SWIFT API
  - Eventual Consistency
  - Archive & Glacial QOS
  - Global Namespace

- Object Storage Service
  - Archival & Deep Backup

- Storage Gateway
  - Any NAS or SAN

- RMAN

- Compute Service
  - Elastic Compute

- Orchestration, Metering, Quota
- Secure Resource Partitioning
- Elastic Block Storage
- Elastic Network

- Rest API
Oracle PaaS: Database & Java

**Database Service**
Dedicated Oracle Database

- Highly Available Dataguard
- Secure Data Encryption
- Automated Patch, Upgrade
- Backup to Object Storage
- 11g or 12c In-Memory DBMS

**Java Service**
Dedicated WebLogic Server

- Clusters & IP Load Balancing
- Secure Network Encryption
- Automated Patch, Upgrade
- Backup to Object Storage
- 11g or 12c WebLogic

Copyright © 2014, Oracle and/or its affiliates. All rights reserved.
Oracle PaaS: Developer and Tools

Source Control & Collaboration
- Dependency Management
- Project Tracking
- Integrated Wiki
- Continuous Build

Developer Service
- Developer Collaboration

Cloud Development & Management Tools
Oracle PaaS: Mobile Cloud Service

Mobile Application Framework

Mobile Security

Mobile Cloud Service

Container
Access
Governance

APIs
Shaping
Persistence
Analytics
Oracle PaaS: Collaboration & Social Network

Team Workspaces & Collab.
- Digital Asset Management
- Hybrid Content Storage
- Secure File Sync & Share

Social Recommendations
- Social Identity Graph
- Application & Data Feeds
- Secure Conversations

Document Cloud Service
- Secure Collaboration

Social Network Cloud Service
- Enterprise Social Platform

Integration with Public Social Networks
Oracle PaaS: Integration & Process

Integration Cloud Service
Robust Cloud-based Integration

SaaS to SaaS Integration
On-Prem to SaaS Integration
Data Mapping & Transforms
Enterprise Service Bus

Process Cloud Service
Easy-to-Use Cloud-based BPM

Process Analytics
Human Tasks, Events, Rules
Mobile Forms & Workflow
Business Process Mgmt.

Copyright © 2014, Oracle and/or its affiliates. All rights reserved.
Oracle PaaS: Analytics Cloud Service

Self-Service Data Loader
Oracle BI Reports, KPIs
Oracle 11 or 12 Database
Analytics Cloud

Data Lake in Storage Svc
SQL on Hadoop
Big Data Discovery
Elastic Hadoop Service

Analytics Cloud
Faster & Better Business Analytics

Analytics Cloud
Faster & Better Data Discovery
Oracle PaaS: Analytics Cloud Service

KPIs & Predictions
- SaaS Sources
- On-Premise Sources
- Packaged Analytics

Machine Learning on Big Data
- Cross Channel Id Graph
- Enterprise Social Graph
- Graph Analytics

Analytics Cloud: OTBI
Packaged Analytics & Predictions

Analytics Cloud: Social Graph
Graph Analytics & Recommendations
Oracle PaaS: Customer Examples
Competitive Differentiators

Developer Cloud: PaaS for Developers
- Complete Solution for Developers

Analytics Cloud: PaaS for Analytics Users
- Unifies Structured & Unstructured Analytics with Packaged & Non-Packaged Analytics

Departmental Cloud: PaaS for Departmental Users
- Unifies Document Management, Collaboration, and Analytics

Enterprise I/T Cloud: PaaS for Enterprise I/T
- Offers I-PaaS, BPM-PaaS, Identity Administration, Security, …

Seamless Integration across PaaS & SaaS Applications
- Enables Oracle’s PaaS to be rapidly sold into Oracle’s SaaS installed base

Seamless Integration from On-Premise to Oracle’s Cloud
- Customers have flexibility to transparently move workloads between environments
Market Opportunity

Large Market Opportunity
- Proportionately to size of the Technology Software segment
- Growth driven by familiarity of Technology to existing customers

Multiple Market Segments
- Enterprise I/T Users within Oracle Customers
- Departmental Users within Oracle Customers
- ISVs already running on Oracle Technology
- System Integrators developing Projects with Oracle Technology
- Developers creating new bespoke Applications

Oracle differentiators enable Easy Uptake
- Seamless Workload Portability between On-Premise to Cloud
- Platform-as-a-Service to extend growing SaaS Customer Base
- Breadth of Offering: Simplifies SLAs, Contracting, Security Reviews, …
- Variety of Scenarios: Test-Dev, Backup, Consolidation, Migration, …
Oracle SaaS: Financials

- Financial Management
- Financial Reporting
- Financial Analytics
- Planning and Budgeting
- Cash & Treasury Management
- Travel & Expense Mgmt Expenses
- Revenue Mgmt & Collections
- Statutory Reporting
Oracle SaaS: Project & Portfolio Management

- **Project Planning & Budgeting**
- **Project Budgeting & Forecasting**
- **Cost Management & Control**
- **Billing & Revenue Management**
- **Project Management & Scheduling**
- **Task Management**
- **Resource Management**
- **Project Visualizations**
Oracle SaaS: Procurement

- Strategic Sourcing
- Contract Management
- Procurement Management
- Procurement Analytics
- Self-Service Procurement
- Product Master Data Management
- Order Management
- Logistics
Oracle SaaS: Supply Chain Management

Inventory & Costing

Product MDM

CPQ

Order Management

PLM

Costing

Logistics

Transportation Management
PaaS: Platform to extend SaaS

- Enterprise Resource Planning
- Human Capital Management
- Customer Experience
- Supply Chain Management

Unified Identity

Unified PaaS Platform to extend SaaS

- Mobile
- Business Intelligence
- Extensibility
- Master Data Management
- Integration
- Process Management
- Social Collaboration
- API Catalog

Cloud Marketplace – Partner Applications & Solutions
Oracle SaaS: Multi-Product Win Examples
Competitive Differentiators

Leading Financial Planning & Budgeting Cloud
- For Mid-market & Large Enterprises integrated with Core Financials

Highly Scalable Core Financial Management
- Highly Scalable General Ledger support 100 Million Transactions Per Hour

Sophisticated & Integrated Financial Reporting
- Built-In Packaged Management & Statutory Reporting

Unified Project Planning, Management, & Billing
- For Professional Services and Project Oriented Organizations

Complete Supply Chain for Non-Manufacturers
- Procurement, Sourcing, Order Management, Costing, Transportation Management

Support for Industry Specific & Global Requirements
- Manufacturing, Public Sector, Higher Education, Professional Services
Market Opportunity

Large Market Opportunity

- SaaS ERP Market for Upper Mid-Market & Large Enterprises
- Historically has been proportionately larger than HCM or CRM
- Historically has been driven by Non HCM buying factors

Oracle has best-in-class offering

- Breadth – Provides ability to migrate complete business processes
- Depth & Scalability – Meets complex needs of large enterprises
- Deep Global & Industry specific functionality – For 12 Verticals
- Growing Customer & User Count faster than any other competitor

Rapid ERP growth will also drive growth in other segments

- Ability to offer end to end business processes – CRM, HCM, ERP
- Influences HCM as customers want integrated solution – ERP + HCM
- Upsell other offerings – Analytics, Platform-as-a-Service, EPM, …
## Oracle Cloud: Specialized Offerings

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier IV Class Data Centers</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Isolated Tenancy (Customer Instances and Data)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Cloud – Automated Service Mgmt</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Cloud Elasticity – Scalability On Demand</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Oracle Cloud Portal – Operational Transparency</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>DR – Data Redundancy, Backups and Remote Hot Site</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Staffed and Monitored 7x24x365</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Oracle Cloud Dedicated Security Team</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Professional Services Available</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>OFAC Screened Staff</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Data Encryption and Data Isolation Included</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>DISA STIG Hardened</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>PCI DSS Certification</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Security Documentation Set</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Community Cloud</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Government (*.gov.uk *.gov *.mil) Address Spaces Available</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>ISO 27001 Certification</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>UK Pan Government IL2 and IL3 Accreditation</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>FedRAMP Moderate Authorization</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>ECSB DoD Addendum CUI Level 4 Authorization</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>
Rapid SaaS Growth – Past 12 Months

TOTAL SaaS
- 2,181 Total New SaaS Customers
  - 1,101 Customer Experience
  - 959 Human Capital Management
  - 263 Enterprise Resource Planning

Fusion SaaS
- 725 Total New Fusion SaaS Customers
  - 327 Customer Experience
  - 252 Human Capital Management
  - 263 Enterprise Resource Planning
  - 5.4 M New Fusion SaaS Users
Oracle Cloud: Highly Efficient Cloud Operations

**Growth**

- **7,400** Additional Virtual Servers in Q1
- **45 Petabytes** Additional Storage in Q1
- **6,700** Additional Tenants
- **655,000** Additional Average Weekly Users in Q1

With

- **40 New** SaaS Operations Headcount in Q1