Overview and Frequently Asked Questions

■ OVERVIEW

Oracle is pleased to announce that we have completed our acquisition of Siebel Systems and we are now operating as one.

As the leader in customer relationship management software, we pledge our continued commitment to enabling our customers' successes and delivering the benefits we expect from this merger:

Customer-Centric Industry Solutions to Fit *Your* Business

We plan to provide end-to-end integrated business processes by combining the leading front-office, back-office, and industry solutions from Oracle and Siebel. The integration work has begun with a key focus on developing and enhancing business processes for more than two dozen industries. We believe these solutions will enable our customers to adapt more quickly to the rapidly changing business environment and significantly simplify your IT infrastructure and lower costs.

Comprehensive Business Analytics to Achieve Greater Business Insight

Our goal is to combine Siebel CRM analytics, Oracle ERP analytics, and industry-specific analytic content to provide the most comprehensive business analytics solutions to all of our applications customers. This is expected to give business executives and managers the ability to monitor, analyze, and act upon intelligence in real-time, while providing end-to-end visibility into company operations and financial performance.

Flexibility and Choice to Create a Superior Ownership Experience

Our combination creates the largest and most comprehensive offering of on-demand and on-premise solutions available today, giving customers choice in how they procure, develop, implement, and deploy business applications. From optimized on-premise solutions to internet-based shared utilities to highly tailored, private environments, we deliver the flexibility and choice customers need to maximize the business value of their your software investments.

As we work to deliver the value of the combined companies, we are equally as focused on protecting the investments of our customers through our Lifetime Support Policy and continued development of our existing CRM products as planned, including Siebel products. We plan to accelerate Siebel's rapid pace of innovation of CRM solutions and continue to offer customers the choice of an integrated suite or best-of-breed Siebel CRM solution. We also plan to help customers evolve, at their own pace, to the next generation of our standards-based applications, Oracle Fusion Applications. Siebel CRM will be the centerpiece of our Oracle Fusion CRM Applications strategy and we plan to incorporate the best features of all of our product lines into Oracle Fusion Applications.

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■ FREQUENTLY ASKED QUESTIONS

CRM Strategy & Plans

Q: What is the combined Oracle and Siebel product roadmap?

A: Oracle plans to continue to enhance and support Oracle and Siebel CRM products. In parallel, Oracle and Siebel development teams are working to develop next generation CRM applications based on open standards and a service-oriented architecture. Plans include the following:

- Ensure integration of Oracle and Siebel products.

- Develop Siebel and Oracle applications using industry standards such as BPEL and XML.

- Optimize Siebel and Oracle applications for the standards-based Oracle Fusion platform.

- Position Siebel as the centerpiece of Oracle Fusion CRM Applications.

- Provide upgrades to Oracle Fusion Applications for supported Oracle and Siebel customers, which will incorporate Siebel CRM as the base set of features and functionality.

Q: What are Oracle's plans to integrate Oracle E-Business Suite, PeopleSoft Enterprise, and JD Edwards EnterpriseOne with Siebel CRM?

A: In order to provide end-to-end integrated business processes, Oracle plans to provide out-of-the-box integration between select Siebel CRM solutions and Oracle solutions. In addition, some of these integrated solutions will be designed to support specific industry business processes. We plan to integrate both Siebel on-premise and Siebel on-demand solutions with select Oracle ERP, CRM, and line-of-business applications. We intend to provide more details on the integration plans over the next 100 days.

Q: Is the Siebel 8.0 release planned for 2006 still going forward?

A: Yes, Oracle is still planning to release Siebel 8.0 in 2006. Oracle plans to continue to invest in Siebel's current product line to address the needs of existing and new customers.

Q: Will Oracle's CRM product releases continue as planned?

A: Yes. Oracle's CRM product lines will continue to be supported and will receive continued investments. New releases of Oracle E-Business Suite CRM (12.0), PeopleSoft CRM (9.0), and JD Edwards CRM (8.12) continue as planned for 2006.

Q: Which product line will form the basis for Oracle Fusion CRM Applications?

A: As previously stated, Siebel CRM will be the centerpiece of Oracle's Fusion CRM Application strategy. As part of Oracle Fusion Applications, we will evaluate all of Oracle's CRM product lines to define the best functionality, data model, and design points required to meet the requirements of the diverse industries, geographies, and company sizes that Oracle currently supports. Siebel products will form the baseline for most product areas and we will then add any important functionality that exists in Oracle E-Business Suite, PeopleSoft CRM, and JD Edwards CRM to CRM Fusion Applications.

Q: What are Oracle's plans for Siebel Universal Customer Hub and Oracle's Customer Data Hub

A: Oracle and Siebel both have leading customer data hub solutions which have complementary strengths. Oracle's Customer Data Hub (CDH) product is pre-integrated to all Oracle E-Business Suite applications and has strong data quality manage tools. Siebel's Universal Customer Master (UCM) solution is integrated to Siebel CRM and has an extended customer data model designed specifically for services industries like financial services and communications. Oracle plans to continue to market and sell both products to customers depending on their industry and the applications they are implementing.

In the short term, Oracle plans to integrate these hubs in order to support customers who implement both Oracle and Siebel products. Oracle's plan is to evolve to one customer data hub and leverage the strengths of both solutions.

FREQUENTLY ASKED QUESTIONS

Q: What's going to happen in the Order Management area given that both Siebel and Oracle have strong Order Management Offerings?

A: Both Oracle and Siebel have very strong Order Capture and Order Management solutions. Siebel's Order Management solution was designed for companies who have complex order capture requirements, especially companies with multiple fulfillment systems or complex service fulfillment and provisioning processes. Oracle's Order Management solution was designed to optimize the order capture, management, and fulfillment processes for companies using Oracle's inventory and fulfillment capabilities.

Oracle plans to continue to market and sell both Order Management solutions while we work towards a single combined solution within Oracle Fusion Applications that combines the strengths of both the Oracle and Siebel products.

Q: Siebel is installed at many sites that have implemented SAP's back office applications. Will Oracle continue to invest in the integration solutions between CRM and SAP ERP/Supply Chain?

A: Many customers using SAP have chosen to implement Siebel CRM because it is recognized by analysts and experts as the leading CRM solution. Oracle intends to fully support these customers and solutions, and plans to continue to invest in the functionality and integration required to allow customers using SAP to continue to realize the value of Siebel's CRM solution. While we plan to offer an integrated Siebel-Oracle solution set in the near future, we also intend to continue to support and invest in our best-in-class standalone CRM offering from Siebel.

Q: Should customers continue with their Oracle CRM implementation projects?

A: Yes. Current customers should continue with their implementations. Oracle is protecting the investments of customers implementing different product lines – Siebel, Oracle, PeopleSoft, and JD Edwards – with the industry's most comprehensive Lifetime Support Policy. Additionally, Oracle is extending all CRM product lines through new products, releases, and integrations, enabling customers to derive more value from their existing investments. Oracle is continuing aggressive investments and plans to release new versions of all CRM product lines in 2006.

Q: What will happen with Siebel's Nexus project? Is it going to be merged with Oracle Fusion Applications?

A: Oracle Fusion Applications and Siebel's Nexus project are very similar. Both projects have the goal of delivering the next generation of service-oriented applications using standards-based middleware technologies. We plan to port portions of the Siebel Nexus application delivery architecture and the existing Siebel Component Assembly (SCA) components to Oracle Fusion Middleware and Oracle Fusion Applications. In addition, the Siebel Nexus designers and developers will be integrated into the Oracle Fusion teams to help accelerate the development of the Oracle Fusion products.

Q: What is going to happen to the applications that are currently being offered on the Nexus/SCA platform? What about customers who already have Siebel SCA applications and are implementing them?

A: Existing customers using Siebel applications that are currently available on the Siebel Component Assembly (SCA) platform (also known as Nexus) will be supported. More detailed support policies are being developed now and will be communicated when they are available. In order to provide architectural and technical consistency with Oracle Fusion Applications, our plan is to port the existing SCA applications to the Oracle Fusion Middleware platform. Oracle will communicate the specific details of these product plans when they are available.

Q: Will the Siebel acquisition impact the Oracle Fusion Application plans and timelines?

A: No. The Siebel acquisition will not impact Oracle's timeline for Oracle Fusion Applications. Oracle plans to leverage similar work completed by Siebel as part of their Project Nexus to accelerate portions of Oracle Fusion Applications. Given the fact that Siebel is the leading provider of CRM applications, Oracle plans to base a large percentage of the Oracle Fusion CRM Applications plans and designs on the Siebel products.

FREQUENTLY ASKED QUESTIONS

Analytics

Q: What is the future of Siebel Business Analytics (SBA)?

A: Siebel Business Analytics include platform products (Siebel Analytics Server, Siebel Dashboard, Answers, etc.) and pre-built analytical applications (e.g., ETL maps, physical data models, dimensional business models, OLAP reports and dashboards). SBA applications source data from Siebel, Oracle E-Business Suite, and PeopleSoft and provide a very strong solution for cross-enterprise analytics where customers need to analyze data across multiple transactional systems. SBA will continue to play a prominent role for all CRM related analytics.

Q: Will SBA replace current analytic offerings (PeopleSoft Warehouse & Operational Dashboards, Oracle Daily Business Intelligence, etc.)?

A: SBA is complementary to Oracle's current set of analytical applications. Oracle has been working with customers to better understand their analytic needs to deliver greater business insight as part of Oracle Fusion Applications (see Greater Business Insight paper on Oracle.com). In the interim, Oracle plans to invest in building key integration points between SBA and current Oracle applications to extend the value for all customers.

On Demand Strategy & Plans

Q: Will the combined companies continue to invest in and develop the current Siebel CRM OnDemand offering?

A: Yes. Siebel CRM OnDemand is an industry leading customer-centric application – sales, marketing and service – delivered as an internet-based, shared environment solution. It's prized for its rapid time to deployment, affordability, and is configurable by business users. Oracle plans to continue developing the functionality of CRM OnDemand and extending its integration capabilities into other solution areas. We are reviewing additional opportunities to extend the offering further.

Q. What will happen to Siebel's hosting arrangement with IBM for the CRM OnDemand offering?

A. Oracle will honor the ongoing agreement with IBM, and customers should feel no disruption. In fact, Oracle and IBM are working together to extend and improve the service delivered for CRM OnDemand customers. Our goal is to deliver the application customers need, when they need it, without worrying about the hosting infrastructure.

Q: Will Oracle offer Siebel 7 OnDemand, similar to its Oracle E-Business Suite On Demand offering?

A: Yes. Oracle will now offer customers all the benefits of the full-function, industry edition Siebel 7 functionality, combined with the peace of mind of deploying, managing, and optimizing customer solutions through Oracle On Demand. Given that this service will heavily leverage Oracle's current On Demand offerings and our experience with more than 500 customers globally, we have extensive experience providing this level of solution. Now customers can license their Siebel 7 solutions and rely on Oracle to do the rest. With Oracle On Demand, Oracle takes responsibility for managing the infrastructure, software, service levels, IT governance and security.

Q: How does the addition of Siebel's industry-leading CRM OnDemand impact Oracle's overall On Demand business?

A: Oracle has now clearly established its global leadership in on-demand solutions. The combined talents, expertise, and vision of the Oracle/Siebel organizations create the most advanced and progressive on-demand software company in the world. The size and breadth of our offering allows us to combine engineering discipline with a services-based approach to adopt best practices from several areas. Oracle now offers the software development, infrastructure management, and operational services to maximize the business value of our customers' software investments.

Q: How does the depth and breadth of the combined Oracle/Siebel On Demand offerings provide value to customers?

A: Oracle On Demand solutions help customers drive more revenue in their business, lower the cost of owning and maintaining software, and ultimately allow them to become more successful.

Our vertical industry solutions ensure that customers don't have to accept a generic application that requires expensive customization. Oracle's business and operational discipline and our technical expertise and ongoing investments enable us to continually expand and deepen the value On Demand brings to organizations. Our software offers a technology infrastructure and clear migration path for SOA-based enterprise solutions.

■ FREQUENTLY ASKED QUESTIONS

Partners

Q: How will the combination benefit partners?

A: Oracle and Siebel partners will benefit through an expanded product footprint in customer-facing solutions and will have a single vendor to address customer needs for CRM, analytics, customer data integration, ERP, and infrastructure technologies. Moreover, Siebel partners will be able to take advantage of Oracle's worldwide resources and increased partner investment while Oracle partners will be able to benefit from Siebel's best-in-class customer-facing products, consulting, and proven best practices tailored to industry needs.

Oracle opens the door for partners to leverage the strengths, competencies, and expertise of a global community of more than 15,000 partners. The bonds created through these partnerships and integration of Oracle and Siebel will help accelerate our partners' growth into more industries, across broader geographies and channels, and into additional market segments.

Q: What does the combination of Siebel and Oracle mean for Independent Software Vendors?

A: Siebel enhances and expands the Oracle CRM Applications footprint significantly. For existing Oracle ISVs that have not worked with Siebel previously, there is an opportunity to add another robust product line to their offerings, enabling the ISV to engage with Oracle around more sales opportunities. An entirely new applications and technology ecosystem becomes available for Siebel ISVs who have not previously worked with Oracle. This will not only increase the potential for incremental sales, but it also offers ISVs a wide-array of tools and programs.

Q: What does the combination of Siebel and Oracle mean for System Integrators?

A: With this combination, System Integrators will complement and expand existing practices, deepen and broaden enterprise software capabilities and extend industry reach, enabling them to better serve their clients. System Integrators are also expected to achieve greater efficiencies through the consolidation of internal organizations which will better enable them to focus on business process improvement and the delivery of higher value added services to their clients.

Q: What does the combination of Siebel and Oracle mean for Hardware and Infrastructure Vendors?

A: Platform partners will benefit from consolidation of resources and optimization of a broader product portfolio against their product lines, enabling them to provide greater value to their business, their customers, and the industry.

Q: What does the combination of Siebel and Oracle mean for Value Added Distributors and Resellers?

A: The combination of Siebel and Oracle delivers a more complete set of applications for resell.

Business Continuity

Support

Q: Will the same people who support Siebel products today continue to deliver support?

A: Yes. With Oracle's Siebel Support, customers have the system and support continuity their business requires. Customers have continued access to the support people, systems, and infrastructure they have relied on with Siebel. We are dedicated to maintaining and increasing the quality of innovation, support, and service customers have come to expect from Oracle and Siebel. With a goal to retain over 90% of Siebel's support organization, Siebel developers and support experts are now a part of a strengthened Oracle Support team. Oracle is dedicating significant resources to ensure that customers experience minimal disruption during the integration and transition process. Customers should continue to use the same support channels they have been using, whether it is online, or by telephone. Support phone numbers and Web site links remain the same.

Q: Will Oracle continue to support customers running Siebel solutions on alternative databases?

A: Yes, Oracle plans to continue support for Siebel's current solutions running on IBM DB2 and Microsoft® SQL Server. We are also currently reviewing whether to certify our next-generation Oracle Fusion Applications on non-Oracle databases. This decision will depend largely on customer feedback as they trade off portability versus extra security and better performance.

■ FREQUENTLY ASKED QUESTIONS

Q: Will Oracle continue to support customers with Siebel solutions on alternative middleware platforms?

A: Yes, we intend to protect customers' existing investments and to provide customers with choices. The combined companies plan to maintain support for Siebel's current solutions running on alternative middleware technologies. In addition, Oracle plans to base the Oracle Fusion Applications, including Oracle Fusion CRM, entirely on open, industry standards that allows for interoperability. We have already announced our intention to certify our applications on IBM WebSphere.

Q: What is the Oracle Lifetime Support Policy?

A: Oracle leads the industry with the most comprehensive and flexible support policy, our Lifetime Support Policy. Simple and predictable, our support policy covers the entire technology stack, from database to middleware to applications—an industry first, only from Oracle. The Oracle Lifetime Support Policy provides access to technical support experts and future upgrades to major releases for all product lines for the duration of the product license and consists of three stages of support: Premier Support, Extended Support and Sustaining Support. It puts our customers in control of their upgrade strategy so they can enjoy continued peace of mind, knowing that no matter which product release they're running, we'll be there to support their business.

Q: Will Oracle offer the Lifetime Support Policy to Siebel customers?

A: Yes, Oracle has extended its Lifetime Support Policy to cover Siebel version 7.8 and the upcoming version 8 of the Siebel major product lines. Any new versions of the Siebel product line that are released after the acquisition will fall under Oracle's Lifetime Support Policy. Oracle will continue to aggressively analyze all of the Siebel products and versions to determine which other products and releases will migrate to Oracle's Lifetime Support Policy and which will remain under the current Siebel Support policy. Under this policy, Oracle will continue to maintain Siebel's currently supported hardware platforms, databases, and operating systems, all with one goal in mind: to protect, extend, and evolve the value of our customers' technology investments.

Training

Q: Will training on Siebel products continue?

A: Yes. We understand the critical role that training plays in our customers' applications strategy, and Siebel classes and services will continue to be delivered without interruption. As we bring these world-class organizations together, education customers across all lines of business will see an increase in available training offerings, locations, and business consulting services.

Q: How will Oracle University integrate Siebel education?

A: Oracle University is committed to customer retention and satisfaction. We are dedicating significant resources to allow us to maximize the value created for our customers in the following manner:

• Retention of skills to deliver Siebel training.

• Continuation of Siebel classes and services without interruption.

• Make available all Oracle training offerings and locations.

Q: How will training credits be handled?

A: When Siebel University moves to the Oracle ecosystem, Oracle will honor Siebel University Training Credits in the form of Oracle University Learning Credits.

General

Q: Will Oracle have regular communications with Siebel customers?

A: Oracle will continually communicate to Siebel customers and all of our CRM applications customers during the integration process. The most updated information can always be found on oracle.com/siebel. In the event that customers have individual questions or issues that need to be addressed, please send a message to contact.oracle@oracle.com.

Q: Will existing Siebel customer contracts be honored?

A: Yes. Oracle intends to honor the terms and conditions of existing Siebel contracts.

■ FREQUENTLY ASKED QUESTIONS

Q: Are Siebel's solutions still available for purchase?

A: Yes. Customers should continue to rely on existing Siebel relationships.

Q: Will Siebel leadership and employees be retained?

A: Yes. Oracle plans to make Siebel features and functionality the centerpiece of our Oracle Fusion CRM strategy. We are looking to retain Siebel management and employees to help ensure the long-term success of our combined CRM strategy.

Q: Are there plans to add Siebel customers to Oracle's existing CIO advisory board, Oracle Fusion Strategy Council, or other product and industry councils?

A: Yes. We will be reviewing Siebel's key customers, including those customers engaged in various advisory activities for inclusion in Oracle's many executive advisory boards. Oracle will also broadly communicate the various other opportunities to provide feedback and influence Oracle's direction through our Global Customer Programs function.

Q: Will the Oracle user group community include Siebel users?

A: Oracle's user groups are independent communities of Oracle professionals, providing dynamic forums for sharing information, experience, and expertise to improve the customer experience. We encourage all Siebel customers to become involved with our independent user groups. Please go to www.iouc.org to find out more about the user group that will most closely meet your needs.

The above is for information purposes only and may not be incorporated into a contract.

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