June 10, 2003
Item 4(c)-1

Board Presentation on M&A Opportunities

April 14, 2003

EXHIBIT
35
Henley 5/4/04

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PENGAD-Bayonne, N. J.
GOVERNMENT EXHIBIT
P0035

Enterprise Software Market Share Analysis

($ in billions)	TECHNOLOGY									APPLICATIONS		
	Database	App Servers	Business Intell / Data Warehouse	Dev Tools	Application Integration	Systems Mgmt	Storage Mgmt	Network & Service Mgmt	Content Mgmt	ERP Apps	SCM Apps	CRM Apps
2001 Market Size	$12.8	$2.2	$6.5	$2.2	$4.4	$7.1	$6.2	$3.0	$2.8	$23.3	$8.5	$6.4
Top Players & Market Shares	Oracle 43%	BEA 25%	Oracle 18%	IBM (1) 15%	IBM 17%	IBM 14%	EMC 28%	IBM 10%	Adobe 10%	SAP 17%	i2 8%	Siebel 25%
	IBM 31%	IBM 23%	IBM 18%	Microsoft 8%	Oracle 8%	CA 14%	Veritas 17%	NETA 8%	FileNet 9%	Oracle 7%	SAP 7%	Oracle 6%
	Microsoft 9%	Oracle 12%	Microsoft 10%	Compuware 7%	Tibco 6%	BMC (2) 8%	CA 9%	Agilent 8%	Vignette 6%	PeopleSoft 6%	Oracle 3%	SAP 4%
	Sybase 4%	Sun 8%	SAS Inst. 9%	CA 4%	BEA 6%	Peregrine 7%	IBM 8%	Cisco 6%	DCTM 5%	JD Edwards 3%	PeopleSoft 2%	PeopleSoft 4%
	NCR 2%	Macromedia 5%	Cognos 4%	HP 3%	WEBM 5%	HP 6%	HP 5%	HP 6%	Interwoven 5%	Microsoft 2%	Manugistics 2%	Amdocs 4%
	Fujitsu 2%	Sybase 3%	BOBJ 3%	Macromedia 3%	Sybase 4%	Microsoft 3%	Legato 4%	Lucent 6%	IBM 5%	Cerner 2%	Siebel 2%	Trilogy 3%
	SAS Inst. 2%	Borland 3%	NCR 3%	Oracle 2%	Vitria 3%	Novell 2%	NTAP 3%	Micromuse 4%	SER Sys. 5%	McKesson 2%	Microsoft 1%	Vignette 2%
	Others 9%	Others 22%	Others 34%	Others 58%	Others 51%	Others 46%	Others 26%	Others 52%	Others 55%	Others 63%	Others 76%	Others 53%

Source: IDC.
(1) IBM amount includes Rational percentage share of 7%.
(2) BMC acquired a portion of Peregrine (Remedy) last year for $350mm, but isn't factored into the table.

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Enterprise Software Competitive Profile

Key: No Presence ✕ Not Significa ○ Player ◑ Competitiv ●

	($ in billions)	2001 Market Size (1)	Oracle	IBM	Microsoft	BEA	HP	Sun	CA	Sybase	SAP	PSFT
TECHNOLOGY	Database	$12.8	●	●	●	✕	✕	✕	○	◑	✕	✕
	App Servers	$2.2	●	●	●	●	✕	◑	✕	◑	○	✕
	Business Intelligence	$6.5	●	●	●	○	○	○	○	◑	○	○
	Development Tools	$2.2	●	●	●	◑	◑	◑	◑	○	○	○
	Application Integration	$4.4	●	●	◑	◑	○	◑	◑	◑	○	○
	Systems Mgmt	$7.1	○	●	●	✕	●	◑	●	✕	✕	✕
	Storage Mgmt	$6.2	✕	●	◑	✕	●	◑	●	✕	✕	✕
	Network & Service Mgmt	$3.0	✕	●	◑	✕	◑	◑	●	✕	✕	✕
	Content Mgmt	$2.8	◑	●	◑	✕	✕	○	✕	✕	✕	✕
APPS	ERP Apps	$23.3	●	✕	◑	✕	✕	✕	✕	✕	●	●
	SCM Apps	$8.5	●	✕	✕	✕	✕	✕	✕	✕	●	●
	CRM Apps	$6.4	●	✕	○	✕	✕	✕	✕	✕	●	●

Note: Competitive profile information for each company estimated by Oracle.
(1) Source: IDC.

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Software Comps – Technology

(in millions, except per share data)

Company	Stock Price (4/4/03)	% of 52-Week High	Fully-Diluted Equity Value	Net Debt (Cash)	Enterprise Value	Enterprise Value / Revenue Multiple LTM	CY03	CY04	P/E Ratio LTM	CY03	CY04
Oracle Corp.	$11.38	85%	$61,712.9	($5,948.8)	$55,764.2	5.9x	5.9x	5.4x	27.8x	25.9x	23.7x
IBM	$80.32	77%	$141,142.3	$20,042.0	$161,184.3	2.0x	1.8x	n/a	20.3x	18.6x	16.4x
Microsoft	25.22	84%	277,777.9	(43,424.0)	234,353.9	7.6x	7.1x	6.6x	25.9x	25.1x	21.6x
Technology Software Competitors											
*** Includes selection of major software infrastructure applications companies; not all are shown											
Adobe Systems	$32.05	74%	$7,685.0	($652.7)	$7,032.3	5.9x	5.7x	5.4x	32.7x	32.1x	27.9x
BEA Systems	10.56	73%	4,481.2	(708.3)	3,772.9	4.0x	3.9x	3.6x	37.7x	34.1x	27.1x
BMC Software	15.36	77%	3,657.0	(899.5)	2,757.5	2.2x	1.8x	n/a	35.7x	26.5x	n/a
Borland Software	9.01	61%	669.2	(296.2)	373.1	1.5x	1.0x	0.7x	28.2x	21.5x	14.5x
Business Objects	18.29	41%	1,189.3	(277.8)	911.5	2.0x	1.8x	1.6x	29.0x	24.4x	20.3x
Cognos	25.06	91%	2,305.4	(242.3)	2,063.1	3.7x	3.1x	2.7x	30.9x	27.8x	24.1x
Computer Associates	13.95	63%	8,072.4	2,129.0	10,201.4	3.3x	3.1x	n/a	nmf	51.7x	n/a
Documentum	13.95	55%	716.3	(128.1)	588.2	2.6x	2.0x	1.8x	99.6x	39.9x	25.4x
Embarcadero Tech	6.60	46%	186.5	(43.8)	142.7	2.9x	2.8x	2.4x	33.0x	23.6x	18.9x
FileNet	10.55	59%	383.8	(185.2)	198.6	0.6x	0.5x	0.5x	45.9x	31.0x	18.2x
Hyperion Solutions	26.56	81%	976.3	(302.2)	674.1	1.3x	1.3x	n/a	35.4x	28.9x	n/a
Legato Systems	5.72	63%	669.7	(59.5)	610.2	2.3x	1.9x	1.7x	nmf	nmf	44.0x
Mercury Interactive	31.13	78%	2,764.7	(348.2)	2,416.5	6.0x	5.1x	n/a	43.2x	33.8x	28.0x
Novell Corp.	2.42	59%	891.2	(708.2)	183.0	0.2x	n/a	n/a	34.6x	14.2x	n/a
Quest Software	9.55	62%	899.0	(207.5)	691.4	2.7x	2.4x	2.1x	43.4x	30.8x	22.7x
Red Hat	5.64	78%	1,004.9	(292.3)	712.5	7.8x	6.3x	n/a	nmf	nmf	47.0x
Sybase	12.27	69%	1,199.0	(382.2)	816.9	1.0x	1.0x	1.0x	11.9x	12.3x	10.7x
TIBCO Software	4.34	36%	957.6	(652.6)	305.0	1.2x	1.2x	1.2x	54.3x	72.3x	39.5x
Veritas Software	18.91	42%	7,993.1	(1,781.1)	6,212.0	4.1x	4.0x	3.6x	31.0x	30.5x	27.0x
WebMethods	8.72	47%	463.9	(195.4)	268.5	1.4x	1.3x	n/a	nmf	nmf	39.6x
	Average	63%				2.8x	2.6x	2.2x	39.2x	31.5x	27.2x
	Median	63%				2.5x	2.0x	1.8x	35.0x	30.5x	26.2x

Software Comps – Enterprise Apps

(in millions, except per share data)

Company	Stock Price (4/4/03)	% of 52-Week High	Fully-Diluted Equity Value	Net Debt (Cash)	Enterprise Value	Enterprise Value / Revenue Multiple LTM	CY03	CY04	P/E Ratio LTM	CY03	CY04
Oracle Corp.	$11.38	85%	$61,712.9	($5,948.8)	$55,764.2	5.9x	5.9x	5.4x	27.8x	25.9x	23.7x
IBM	$80.32	77%	$141,142.3	$20,042.0	$161,184.3	2.0x	1.8x	n/a	20.3x	18.6x	16.4x
Microsoft	25.22	84%	277,777.9	(43,424.0)	234,353.9	7.6x	7.1x	6.6x	25.9x	25.1x	21.6x
Enterprise Applications Software Competitors											
*** Includes selection of major software enterprise applications companies; not all are shown											
Agile Software	$6.66	55%	$328.1	($261.8)	$66.3	1.0x	0.9x	n/a	nmf	nmf	nmf
Ariba	3.27	1%	895.3	(226.4)	669.0	2.8x	2.5x	n/a	40.9x	36.3x	n/a
Aspen Technology	2.50	11%	95.9	58.3	154.1	0.5x	0.5x	n/a	nmf	10.0x	n/a
Cerner	18.15	32%	650.7	(6.3)	657.0	0.9x	0.8x	0.7x	13.0x	18.2x	9.9x
Datastream Systems	6.75	72%	137.4	(34.7)	102.7	1.1x	1.1x	1.0x	75.0x	30.7x	19.9x
FreeMarkets	5.37	23%	239.7	(132.2)	107.5	0.6x	0.7x	n/a	20.7x	nmf	20.7x
JDA Software	8.96	25%	256.4	(101.9)	154.6	0.7x	0.9x	0.8x	16.3x	37.3x	19.5x
J.D. Edwards	11.60	65%	1,403.5	(353.4)	1,050.1	1.2x	1.2x	1.1x	35.2x	32.2x	25.8x
Lawson Software	4.82	40%	540.4	(248.0)	292.5	0.8x	0.9x	0.8x	96.4x	nmf	53.6x
Manhattan Associates	19.54	49%	614.5	(121.5)	493.0	2.8x	2.4x	2.1x	23.0x	19.0x	15.8x
Manugistics	2.38	10%	166.8	117.1	283.9	1.0x	1.1x	1.1x	nmf	nmf	nmf
Mapics	6.43	78%	120.2	(11.4)	108.7	0.9x	n/a	n/a	13.4x	n/a	n/a
MRO Software	7.13	47%	174.1	(71.0)	103.1	0.6x	0.6x	0.5x	37.5x	35.7x	19.3x
PeopleSoft	14.85	39%	4,729.7	(1,907.5)	2,822.2	1.4x	1.5x	1.4x	24.8x	23.6x	20.6x
QAD Inc.	4.74	95%	174.6	(40.1)	134.5	0.7x	0.6x	n/a	nmf	23.7x	n/a
Retek	5.65	20%	301.1	(85.4)	215.7	1.1x	1.3x	1.2x	nmf	nmf	56.5x
SAP	19.80	51%	24,963.6	(770.6)	24,193.0	3.1x	3.0x	2.7x	25.4x	21.8x	18.9x
SCT Corp.	6.80	43%	228.6	23.6	205.0	0.8x	0.8x	n/a	15.5x	13.6x	n/a
Siebel Systems	7.74	23%	4,040.8	(1,854.6)	2,186.2	1.3x	1.4x	1.4x	31.0x	31.0x	22.8x
Vastera	4.09	27%	169.6	(53.7)	115.8	1.5x	1.4x	n/a	nmf	68.2x	29.2x
	Average	40%				1.2x	1.2x	1.2x	33.4x	28.6x	25.6x
	Median	40%				1.0x	1.1x	1.1x	25.1x	27.2x	20.6x

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Overview of Potential Targets

Valuation Metrics

(in millions, except per share data)

Company	Price (4/4/03)	% of 52-Week High	Equity Value	Cash	Debt	Enterprise Value	EV / Revenue LTM	EV / Revenue CY03	EV / Revenue CY04	P/E Ratio LTM	P/E Ratio CY03	P/E Ratio CY04	Oracle FY 2004 Impact (1) Revenue Contribution	Oracle FY 2004 Impact (1) Accretion/ (Dilution)	Oracle FY 2004 Impact (1) Pre-tax B/E Synergies
Oracle Corp.	$11.38	85%	$61,712.9	$6,263.8	$315.1	$55,764.2	5.9x	5.9x	5.4x	27.8x	25.9x	23.7x			
Technology Acquisition Targets															
BEA Systems	$10.56	73%	$4,481.2	$1,267.5	$559.2	$3,772.9	4.0x	3.9x	3.6x	37.7x	34.1x	27.1x	9.3%	(5.3%)	$186.3
Sybase	12.27	69%	1,199.0	387.2	5.0	816.9	1.0x	1.0x	1.0x	11.9x	12.3x	10.7x	7.7%	1.6%	(57.1)
Documentum	13.95	55%	716.3	253.1	125.0	588.2	2.6x	2.0x	1.8x	99.6x	39.9x	25.4x	3.2%	(0.8%)	28.5
Business Objects	18.29	41%	1,189.3	289.3	11.4	911.5	2.0x	1.8x	1.6x	29.0x	24.4x	20.3x	5.2%	(0.3%)	12.2
Applications Acquisition Targets															
J.D. Edwards	$11.60	65%	$1,403.5	$353.4	$0.0	$1,050.1	1.2x	1.2x	1.1x	35.2x	32.2x	25.8x	8.8%	(1.1%)	$40.4
PeopleSoft	14.85	39%	4,729.7	1,907.5	0.0	2,822.2	1.4x	1.5x	1.4x	24.8x	23.6x	20.6x	16.8%	(1.5%)	54.5
Lawson Software	4.82	40%	540.4	249.2	1.2	292.5	0.8x	0.9x	0.8x	96.4x	nmf	53.6x	3.4%	(0.9%)	31.5
Cerner	18.15	32%	650.7	142.5	148.8	657.0	0.9x	0.8x	0.7x	13.0x	18.2x	9.9x	8.7%	1.5%	(51.8)
SCT Corp.	6.80	43%	228.6	57.3	33.8	205.0	0.8x	0.8x	n/a	15.5x	13.6x	n/a	2.5%	0.1%	(3.3)
	Average	51%					1.6x	1.5x	1.5x	40.3x	24.8x	24.2x	7.3%	(0.8%)	$26.8
	Median	43%					1.2x	1.2x	1.2x	29.0x	24.0x	23.0x	7.7%	(0.8%)	$28.5

Financial Metrics

(in millions, except employee data)

Company	Employees	Revenue LTM	Revenue CY03	Revenue CY04	Revenue Growth CY02	Revenue Growth CY03	Revenue Growth CY04	Licenses as % of Revs LTM	Licenses as % of Revs CY03	Licenses as % of Revs CY04	Gross Margin LTM	Gross Margin CY03	Gross Margin CY04	EBIT Margin LTM	EBIT Margin CY03	EBIT Margin CY04
Oracle Corp.	40,389	$9,417	$9,497	$10,257	(12%)	1%	8%	35%	33%	n/a	75%	75%	n/a	36%	35%	n/a
Technology Acquisition Targets																
BEA Systems	3,063	$934.1	$979.1	$1,044.0	(4%)	5%	7%	55%	52%	53%	79%	79%	79%	17%	19%	21%
Sybase	4,031	829.9	788.9	822.2	(10%)	(5%)	4%	39%	39%	40%	73%	73%	74%	16%	16%	19%
Documentum	1,155	226.9	297.5	333.5	22%	31%	12%	52%	55%	57%	73%	75%	77%	3%	9%	10%
Business Objects	2,162	454.8	495.0	570.0	9%	9%	15%	54%	50%	51%	84%	84%	84%	12%	14%	15%
Applications Acquisition Targets																
J.D. Edwards	4,938	$905.7	$911.9	$952.0	1%	1%	4%	25%	26%	27%	60%	59%	59%	6%	7%	8%
PeopleSoft	8,293	1,948.9	1,897.0	2,020.8	(8%)	(3%)	7%	27%	22%	23%	63%	61%	61%	13%	14%	15%
Lawson Software	1,697	360.6	318.7	351.1	3%	(21%)	10%	24%	18%	20%	55%	54%	55%	(1%)	(0%)	4%
Cerner	4,791	751.9	852.0	999.0	39%	13%	17%	44%	42%	43%	78%	76%	78%	12%	8%	12%
SCT Corp.	1,600	245.1	271.5	n/a	27%	11%	n/a	17%	n/a	n/a	38%	n/a	n/a	9%	n/a	n/a
				Average	9%	5%	10%	38%	38%	39%	67%	70%	71%	10%	11%	13%
				Median	3%	5%	8%	39%	40%	41%	73%	74%	75%	12%	11%	13%

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Note: Projections provided by First Call for EPS estimates and individual research analysts for revenue estimates.
(1) Assumes cash acquisition at 40% premium to current price and no changes to target's stand-alone financials; based on LTM numbers for SCTC due to lack of analyst coverage.

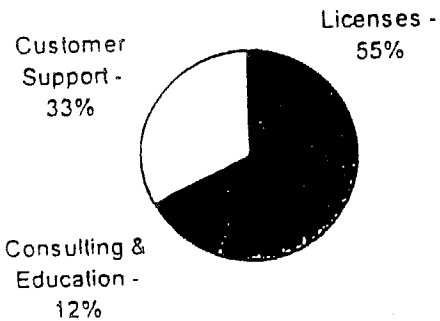
BEA Systems

BEA Systems – Company Overview

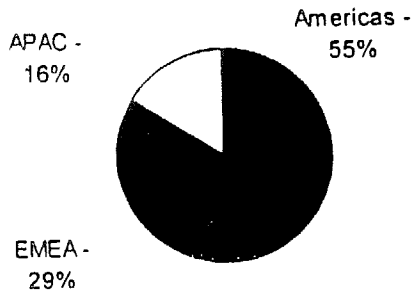
Description of Business

Ticker:	Public (Nasdaq: BEAS)
Headquarters:	San Jose, CA
Employees:	3,063
Customers:	13,500
Management:	Alfred Chuang (CEO) - BEAS Co-Founder, Sun Charles III (EVP of Sales) - IBM Olivier Helleboid (President of Products) - Rainfinity, HP
Products:	Java-based BEA WebLogic Platform components: • WebLogic Server - application server • WebLogic Workshop - app development framework • WebLogic Integration - integration tools • WebLogic Portal - unified access • WebLogic JRockit - server-centric JVM • Liquid Data - enterprise information integration
Business Model Attributes:	• Sold primarily through direct channels, but more than 40% of revenue influenced by indirect channels • Strongest verticals: government/transport/utilities, financial services, telecom, service industries, high tech • Tuxedo product still ~15% of license revenue

LTM REVENUE COMPONENTS



LTM REVENUE BY GEOGRAPHY



Financial Summary

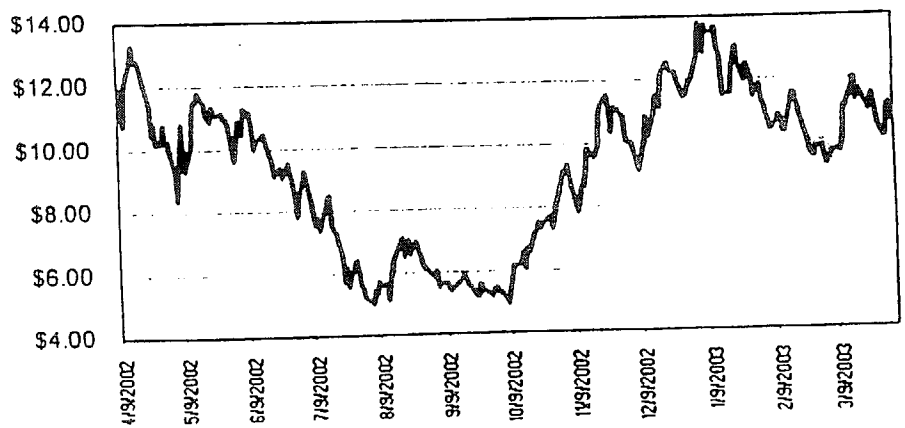
(in millions, except per share data)

Market Trading & Other Stats			
Price (04/04/03)	$10.56	Fiscal Year End	Jan.
LTM Hi/Low	$14.45/$4.59	Long-Term EPS Growth	20%
Equity Value	$4,481.2	Cash	$1,267.5
Enterprise Value	$3,772.9	Total Debt	$559.2

Financial Summary	CY'01	CY'02	CY'03	CY'04
Revenue	$975.9	$934.1	$979.1	$1,044.0
Growth Rate	*19%*	*(4%)*	*5%*	*7%*
License as % of Rev	*61%*	*55%*	*52%*	*53%*
Support as % of Rev	*24%*	*33%*	*35%*	*35%*
Gross Margin	79%	79%	79%	79%
Pro Forma EBIT Mrgn	18%	17%	19%	21%

Valuation Multiples	CY'02	CY'03	CY'04
EV / Revenue	4.0x	3.9x	3.6x
P/E Ratio	37.7x	34.1x	27.1x

LTM Stock Price Performance



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BEA Systems – Acquisition Rationale

Potential Upside

- Improve Oracle's competitive positioning in the middleware space
  * Guarantees Oracle a spot in every RFP
  * Leading alternative to IBM / MSFT platform
- Consolidate customers that run Oracle database, yet purchased BEA over last several years
  * Customers get more integrated offering
- Increase developer mindshare
- Access strong management talent
- Logical move that could be well received by the financial community

Potential Drawbacks

- May cause significant sales disruption for both companies
- Entrenched management team unlikely to welcome acquisition offer
- Face significant personnel reductions and restructuring charges
- One of the more expensive acquisition alternatives available
  * Requires significant synergies for EPS accretion

BEA Systems – Combination Analysis

- Assumes no adjustments to target entity's stand-alone financial model

Oracle Multiples for Comparison:

LTM Revenue	5.9x	LTM P/E	27.8x
CY'03 Revenue	5.9x	CY'03 P/E	25.9x
CY'04 Revenue	5.4x	CY'04 P/E	23.7x

(in millions, except per share data)

	BEAS Purchase Price / Purchase Premium										
	$10.56	$11.62	$12.67	$13.73	$14.78	$15.84	$16.90	$17.95	$19.01	$20.06	$21.12
	0%	10%	20%	30%	40%	50%	60%	70%	80%	90%	100%
Market Value	$4,481.2	$4,942.3	$5,414.4	$5,887.4	$6,360.4	$6,833.4	$7,306.5	$7,779.5	$8,252.5	$8,726.9	$9,206.4
Enterprise Value	$3,772.9	$4,234.0	$4,706.1	$5,179.1	$5,652.1	$6,125.2	$6,598.2	$7,071.2	$7,544.2	$8,018.6	$8,498.1
Stand-Alone Financials:											
LTM Revenue $934.1	LTM EBIT Margin			17.4%	LTM EPS		$0.28				
CY'03 Revenue $979.1	CY'03 EBIT Margin			18.8%	CY'03 EPS		$0.31				
CY'04 Revenue $1,044.0	CY'04 EBIT Margin			20.6%	CY'04 EPS		$0.39				
Multiples:											
LTM Revenue	4.0x	4.5x	5.0x	5.5x	6.1x	6.6x	7.1x	7.6x	8.1x	8.6x	9.1x
CY'03 Revenue	3.9x	4.3x	4.8x	5.3x	5.8x	6.3x	6.7x	7.2x	7.7x	8.2x	8.7x
CY'04 Revenue	3.6x	4.1x	4.5x	5.0x	5.4x	5.9x	6.3x	6.8x	7.2x	7.7x	8.1x
LTM P/E	37.7x	41.5x	45.3x	49.0x	52.8x	56.6x	60.3x	64.1x	67.9x	71.7x	75.4x
CY'03 P/E	34.1x	37.5x	40.9x	44.3x	47.7x	51.1x	54.5x	57.9x	61.3x	64.7x	68.1x
CY'04 P/E	27.1x	29.8x	32.5x	35.2x	37.9x	40.6x	43.3x	46.0x	48.7x	51.4x	54.2x
ORACLE IMPACT (1)											
Cash Acquisition:											
FY'04 EPS Accretion / (Dilution)	(1.6%)	(2.5%)	(3.4%)	(4.3%)	(5.3%)	(6.2%)	(7.1%)	(8.1%)	(9.0%)	(9.9%)	(10.9%)
B/E Required Pre-Tax Synergies	$56.8	$88.1	$119.9	$153.1	$186.3	$219.6	$252.8	$286.1	$319.3	$352.5	$386.8
Required EBIT Margin	*25.1%*	*28.3%*	*31.5%*	*34.9%*	*38.2%*	*41.6%*	*44.9%*	*48.3%*	*51.6%*	*55.0%*	*58.5%*
Stock Acquisition:											
FY'04 EPS Accretion / (Dilution)	(5.8%)	(7.0%)	(8.2%)	(9.4%)	(10.6%)	(11.9%)	(13.0%)	(14.2%)	(15.4%)	(16.5%)	(17.6%)
B/E Required Pre-Tax Synergies	$219.7	$267.7	$316.7	$367.1	$417.6	$468.0	$518.4	$568.9	$619.3	$669.7	$721.4
Required EBIT Margin	*41.6%*	*46.4%*	*51.4%*	*56.5%*	*61.6%*	*66.7%*	*71.7%*	*76.8%*	*81.9%*	*87.0%*	*92.2%*

ORACLE

Note: Combination analysis adds 1.5% of transaction-based expenses and 10.0% of cash acquisition-related charges.
(1) Financial impact based on Oracle fiscal year-ending May 31, 2004.

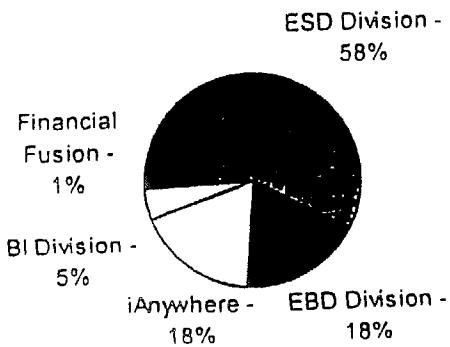
Sybase

Sybase – Company Overview

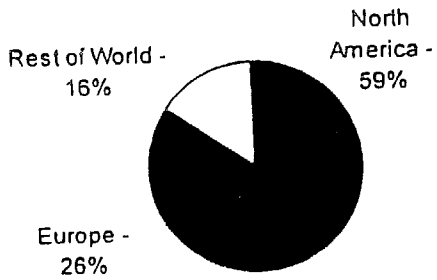
Description of Business

Ticker:	Public (NYSE: SY)
Headquarters:	Dublin, CA
Employees:	3,917
Customers:	45,000
Management:	John Chen (CEO) - Unisys, Pyramid Tech, Siemens Michael Bealmer (EVP of Sales) - Covansys, Spear Tech Wain Beard (GM of Americas) - IBM, Oracle
Products:	° Enterprise Solutions Division (ESD) - core RDBMS ° E-Business Division (EBD) - application integration products, app server, dev tools, and portal technology - Claims 200k+ developers ° iAnywhere Solutions - mobile & embedded databases ° Business Intell (BI) Division - data warehousing products ° Financial Fusion - financial/banking vertical applications
Business Model Attributes:	° Runs each division as separate P/L ° Contemplating spinning out iAnywhere as new entity ° 2,000 partners influenced 40% of deals in last year ° Government is 20-25% of revenue

LTM REVENUE BY DIVISION



LTM REVENUE COMPONENTS



Financial Summary

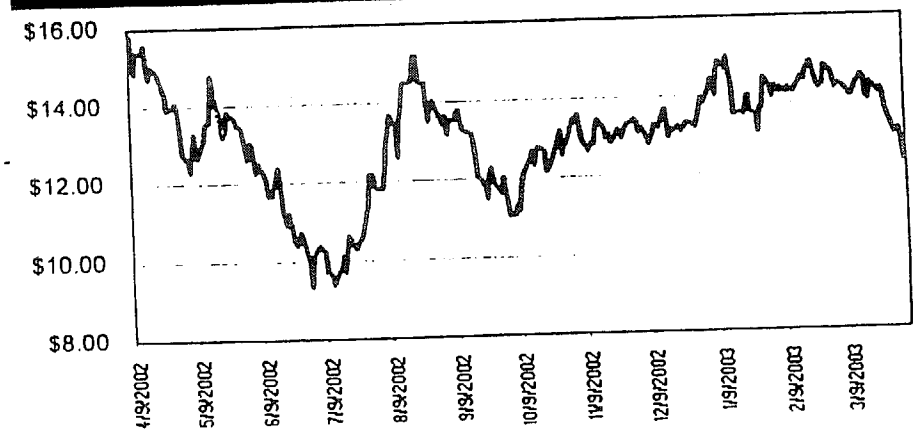
(in millions, except per share data)

Market Trading & Other Stats			
Price (04/04/03)	$12.27	Fiscal Year End	Dec.
LTM Hi/Low	$17.72/$9.15	Long-Term EPS Growth	15%
Equity Value	$1,199.0	Cash	$387.2
Enterprise Value	$816.9	Total Debt	$5.0

Financial Summary	CY'01	CY'02	CY'03	CY'04
Revenue	$926.7	$829.9	$788.9	$822.2
Growth Rate	*(4%)*	*(10%)*	*(5%)*	*4%*
License as % of Rev	*42%*	*39%*	*39%*	*40%*
Support as % of Rev	*n/a*	*n/a*	*n/a*	*n/a*
Gross Margin	71%	73%	73%	74%
Pro Forma EBIT Mrgn	13%	16%	16%	19%

Valuation Multiples	CY'02	CY'03	CY'04
EV / Revenue	1.0x	1.0x	1.0x
P/E Ratio	11.9x	12.3x	10.7x

LTM Stock Price Performance



ORACLE

Sybase – Acquisition Rationale

Potential Upside

- Last viable RDBMS vendor for consolidation, with 45,000 customers on active maintenance
  * 96% renewal rate
  * Applications served are business critical
- Market share leader (73%) in mobile database offerings
- Provides additional talent in APAC where SY has shown strong growth
- Attractive operating margins already built as stand-alone business
- Accretive transaction even when there are substantial negative revenue synergies

Potential Drawbacks

- Substantial % of SY customers will naturally replace with Oracle over time w/out need to acquire the company
  * However, acquisition may ensure more choose Oracle due to account influence
- Incompatible database technologies where more customers may migrate to SQL Server than Oracle
- Does not provide growth prospects outside of the mobile database products
- Combination of different divisions that have little in common
- Preannounced lower-than-expected results for Q1 (ending 3/31/03) as deals across all product lines slipped
- Significant personnel reductions and restructuring charges required

Sybase – Combination Analysis

- Assumes no adjustments to target entity's stand-alone financial model

Oracle Multiples for Comparison

LTM Revenue	5.9x	LTM P/E	27.8x
CY'03 Revenue	5.9x	CY'03 P/E	25.9x
CY'04 Revenue	5.4x	CY'04 P/E	23.7x

(in millions, except per share data)

	SY Purchase Price / Purchase Premium										
	$12.27	$13.50	$14.72	$15.95	$17.18	$18.41	$19.63	$20.86	$22.09	$23.31	$24.54
	0%	10%	20%	30%	40%	50%	60%	70%	80%	90%	100%
Market Value	$1,199.0	$1,330.1	$1,464.1	$1,598.1	$1,732.1	$1,866.2	$2,000.2	$2,137.5	$2,278.7	$2,419.9	$2,561.1
Enterprise Value	$816.9	$948.0	$1,082.0	$1,216.0	$1,350.0	$1,484.0	$1,618.0	$1,755.3	$1,896.5	$2,037.7	$2,178.9

Stand-Alone Financials:						
LTM Revenue	$829.9	LTM EBIT Margin	15.5%	LTM EPS	$1.03
CY'03 Revenue	$788.9	CY'03 EBIT Margin	16.5%	CY'03 EPS	$1.00
CY'04 Revenue	$822.2	CY'04 EBIT Margin	19.1%	CY'04 EPS	$1.15

Multiples:											
LTM Revenue	1.0x	1.1x	1.3x	1.5x	1.6x	1.8x	1.9x	2.1x	2.3x	2.5x	2.6x
CY'03 Revenue	1.0x	1.2x	1.4x	1.5x	1.7x	1.9x	2.1x	2.2x	2.4x	2.6x	2.8x
CY'04 Revenue	1.0x	1.2x	1.3x	1.5x	1.6x	1.8x	2.0x	2.1x	2.3x	2.5x	2.7x
LTM P/E	11.9x	13.1x	14.3x	15.5x	16.7x	17.9x	19.1x	20.3x	21.4x	22.6x	23.8x
CY'03 P/E	12.3x	13.5x	14.7x	16.0x	17.2x	18.4x	19.6x	20.9x	22.1x	23.3x	24.5x
CY'04 P/E	10.7x	11.7x	12.8x	13.9x	14.9x	16.0x	17.1x	18.1x	19.2x	20.3x	21.3x
ORACLE IMPACT (1)											
Cash Acquisition:											
FY'04 EPS Accretion / (Dilution)	2.7%	2.4%	2.2%	1.9%	1.6%	1.3%	1.1%	0.8%	0.5%	0.2%	(0.1%)
B/E Required Pre-Tax Synergies	($95.6)	($86.3)	($76.8)	($67.0)	($57.1)	($47.3)	($37.5)	($26.9)	($16.2)	($5.5)	$5.2
Required EBIT Margin	*6.0%*	*7.1%*	*8.3%*	*9.5%*	*10.7%*	*12.0%*	*13.2%*	*14.5%*	*15.8%*	*17.2%*	*18.5%*
Stock Acquisition:											
FY'04 EPS Accretion / (Dilution)	1.4%	1.0%	0.6%	0.2%	(0.2%)	(0.6%)	(1.0%)	(1.4%)	(1.8%)	(2.2%)	(2.7%)
B/E Required Pre-Tax Synergies	($52.0)	($38.0)	($23.6)	($8.9)	$5.8	$20.5	$35.3	$50.8	$66.6	$82.4	$98.3
Required EBIT Margin	*11.4%*	*13.1%*	*14.9%*	*16.7%*	*18.6%*	*20.4%*	*22.2%*	*24.1%*	*26.1%*	*28.1%*	*30.0%*

ORACLE

Note: Combination analysis adds 1.5% of transaction-based expenses and 10.0% of cash acquisition-related charges.
(1) Financial impact based on Oracle fiscal year-ending May 31, 2004.

Sybase – Combination ADJUSTED

- Adjustments to stand-alone financials to reflect revenue loss and expense reductions as a combined entity

Oracle Multiples for Comparison:

LTM Revenue	5.9x	LTM P/E	27.8x
CY'03 Revenue	5.9x	CY'03 P/E	25.9x
CY'04 Revenue	5.4x	CY'04 P/E	23.7x

(in millions, except per share data)

	SY Purchase Price / Purchase Premium										
	$12.27	$13.50	$14.72	$15.95	$17.18	$18.41	$19.63	$20.86	$22.09	$23.31	$24.54
	0%	10%	20%	30%	40%	50%	60%	70%	80%	90%	100%
Market Value	$1,199.0	$1,330.1	$1,464.1	$1,598.1	$1,732.1	$1,866.2	$2,000.2	$2,137.5	$2,278.7	$2,419.9	$2,561.1
Enterprise Value	$816.9	$948.0	$1,082.0	$1,216.0	$1,350.0	$1,484.0	$1,618.0	$1,755.3	$1,896.5	$2,037.7	$2,178.9

Adjusted SY Financials for Oracle FY'04:

- Assumes 70% loss of license revenue (and associated cost of license); reflects lack of new sales going forward
- Assumes 40% loss of services revenue (and associated 65% reduction in cost of services); reflects lack of prof services revenue tag-along to licenses
- Assumes 60% reduction in operating expenses; reflects cost synergies from consolidating operations and reducing headcount

	Stand-Alone	Adj.	Pro Forma
FY'04 Revenue	$805.6	($417.3)	$388.3
Expenses:			
FY'04 Cost of Revenue	$214.5	($141.2)	$73.3
FY'04 Op Expenses	$447.4	($268.4)	$179.0
FY'04 Pro Forma EBIT	$143.7		$136.0
EBIT Margin	*17.8%*		*35.0%*

ORACLE IMPACT (1)

Cash Acquisition:											
FY'04 EPS Accretion / (Dilution)	2.4%	2.1%	1.9%	1.6%	1.4%	1.1%	0.9%	0.7%	0.4%	0.2%	(0.1%)
B/E Required Pre-Tax Synergies	($84.3)	($75.6)	($66.9)	($58.2)	($49.4)	($40.7)	($32.0)	($23.3)	($14.5)	($5.8)	$2.9
Required EBIT Margin	*13.3%*	*15.6%*	*17.8%*	*20.1%*	*22.3%*	*24.5%*	*26.8%*	*29.0%*	*31.3%*	*33.5%*	*35.8%*
Stock Acquisition:											
FY'04 EPS Accretion / (Dilution)	1.1%	0.8%	0.4%	0.0%	(0.4%)	(0.7%)	(1.1%)	(1.5%)	(1.8%)	(2.2%)	(2.6%)
B/E Required Pre-Tax Synergies	($40.8)	($27.2)	($13.6)	($0.1)	$13.5	$27.1	$40.7	$54.3	$67.9	$81.5	$95.1
Required EBIT Margin	*24.5%*	*28.0%*	*31.5%*	*35.0%*	*38.5%*	*42.0%*	*45.5%*	*49.0%*	*52.5%*	*56.0%*	*59.5%*

ORACLE

Note: Combination analysis adds 1.5% of transaction-based expenses and 10.0% of cash acquisition-related charges.
(1) Financial impact based on Oracle fiscal year-ending May 31, 2004.

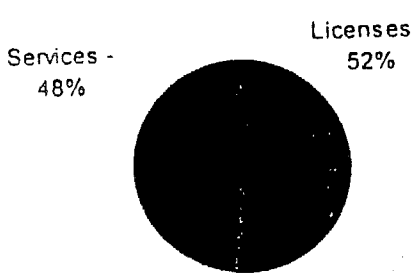
Documentum

Documentum – Company Overview

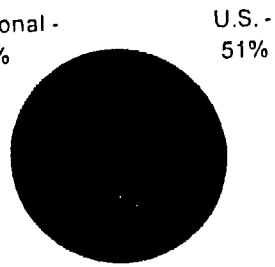
Description of Business

Ticker:	Public (Nasdaq: DCTM)
Headquarters:	Pleasanton, CA
Employees:	1,155 (135 sales reps)
Customers:	2,441
Management:	Dave DeWalt (CEO) - Oracle, Seque, Eventus, Quest Jeffrey Beir (EVP of WW Products) - eRoom, IBM, Lotus Michael DeCesare (EVP of Field Ops) - Oracle, Asera
Products:	Enterprise Content Management • Document management - documents, spreadsheets, contracts, drawings • Web content management - HTML, SGML, WML, XML • Digital asset management - images, sounds, videos, presentations • Fixed content management - reports, records, scanning, imaging, final form storage • Collaboration content management - projects, discussions, desktop sharing, online meetings
Business Model Attributes:	• Direct - 75%; indirect - 13%; government - 12% • Maintenance is 30% of revenue; 85%+ renewal rate • New customers are 25-35% as % of revenue • ASP on deals - $275-350k

LTM REVENUE COMPONENTS



LTM REVENUE BY GEOGRAPHY



Financial Summary

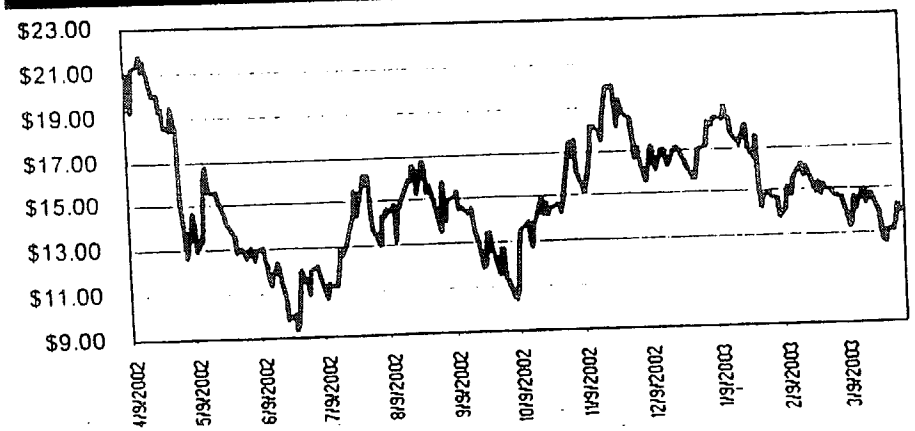
(in millions, except per share data)

Market Trading & Other Stats			
Price (04/04/03)	$13.95	Fiscal Year End	Dec.
LTM Hi/Low	$25.40/$8.67	Long-Term EPS Growth	25%
Equity Value	$716.3	Cash	$253.1
Enterprise Value	$588.2	Total Debt	$125.0

Financial Summary	CY'01	CY'02	CY'03	CY'04
Revenue	$185.7	$226.9	$297.5	$333.5
Growth Rate	*(6%)*	*22%*	*31%*	*12%*
License as % of Rev	*47%*	*52%*	*55%*	*57%*
Support as % of Rev	*n/a*	*n/a*	*n/a*	*n/a*
Gross Margin	70%	73%	75%	77%
Pro Forma EBIT Mrgn	(17%)	3%	9%	10%

Valuation Multiples	CY'02	CY'03	CY'04
EV / Revenue	2.6x	2.0x	1.8x
P/E Ratio	99.6x	39.9x	25.4x

LTM Stock Price Performance



ORACLE

Documentum – Acquisition Rationale

Potential Upside

- Consistent with Oracle's message of centralized data administration and security
- Gain acknowledged leader in enterprise content management (ECM), which is currently a very fragmented market
- Access the largest dedicated, knowledgeable sales force within ECM
- Focus on regulated industries and government fits strategically with Oracle
- Product set built to leverage the Oracle technology stack
- Compete effectively against IBM
- Accretive transaction with relatively minor operating synergies

Potential Drawbacks

- Released major rev of product (Documentum 5) in 9/02 in which ongoing stability is still uncertain
- Lacks key references in certain verticals where competition is stronger
- Overlap with Oracle technologies (iFS, iMeeting)
  * Headcount also to be rationalized
- Has made several acquisitions that it is still digesting (integration risk) and are boosting revenue growth (valuation risk)
  * eRoom for $100mm in 12/02 – built on MSFT technologies
  * TrueArc for $3.6mm in 11/02
  * Boxcar for $1.3mm in 1/02

Documentum – Combination Analysis

- Assumes no adjustments to target entity's stand-alone financial model

Oracle Multiples for Comparison:

LTM Revenue	5.9x	LTM P/E	27.8x
CY'03 Revenue	5.9x	CY'03 P/E	25.9x
CY'04 Revenue	5.4x	CY'04 P/E	23.7x

(in millions, except per share data)

	DCTM Purchase Price / Purchase Premium										
	$13.95	$15.35	$16.74	$18.14	$19.53	$20.93	$22.32	$23.72	$25.11	$26.51	$27.90
	0%	10%	20%	30%	40%	50%	60%	70%	80%	90%	100%
Market Value	$716.3	$794.7	$874.9	$956.8	$1,040.3	$1,123.8	$1,210.1	$1,296.5	$1,382.9	$1,469.3	$1,556.9
Enterprise Value	$588.2	$666.7	$746.8	$828.7	$912.2	$995.7	$1,082.0	$1,168.4	$1,254.8	$1,341.2	$1,428.8

Stand-Alone Financials:						
LTM Revenue	$226.9	LTM EBIT Margin	3.2%	LTM EPS	$0.14
CY'03 Revenue	$297.5	CY'03 EBIT Margin	8.8%	CY'03 EPS	$0.35
CY'04 Revenue	$333.5	CY'04 EBIT Margin	10.2%	CY'04 EPS	$0.55

Multiples:											
LTM Revenue	2.6x	2.9x	3.3x	3.7x	4.0x	4.4x	4.8x	5.1x	5.5x	5.9x	6.3x
CY'03 Revenue	2.0x	2.2x	2.5x	2.8x	3.1x	3.3x	3.6x	3.9x	4.2x	4.5x	4.8x
CY'04 Revenue	1.8x	2.0x	2.2x	2.5x	2.7x	3.0x	3.2x	3.5x	3.8x	4.0x	4.3x
LTM P/E	99.6x	109.6x	119.6x	129.5x	139.5x	149.5x	159.4x	169.4x	179.4x	189.3x	199.3x
CY'03 P/E	39.9x	43.8x	47.8x	51.8x	55.8x	59.8x	63.8x	67.8x	71.7x	75.7x	79.7x
CY'04 P/E	25.4x	27.9x	30.4x	33.0x	35.5x	38.0x	40.6x	43.1x	45.7x	48.2x	50.7x
ORACLE IMPACT (1)											
Cash Acquisition:											
FY'04 EPS Accretion / (Dilution)	(0.1%)	(0.3%)	(0.5%)	(0.6%)	(0.8%)	(1.0%)	(1.2%)	(1.4%)	(1.5%)	(1.7%)	(1.9%)
B/E Required Pre-Tax Synergies	$4.9	$10.5	$16.2	$22.2	$28.5	$34.8	$41.4	$48.1	$54.7	$61.4	$68.3
Required EBIT Margin	*11.1%*	*12.8%*	*14.6%*	*16.5%*	*18.5%*	*20.5%*	*22.6%*	*24.6%*	*26.7%*	*28.8%*	*31.0%*
Stock Acquisition:											
FY'04 EPS Accretion / (Dilution)	(0.9%)	(1.1%)	(1.3%)	(1.6%)	(1.8%)	(2.1%)	(2.4%)	(2.6%)	(2.9%)	(3.2%)	(3.4%)
B/E Required Pre-Tax Synergies	$31.0	$39.4	$48.0	$57.0	$66.3	$75.6	$85.4	$95.2	$105.0	$114.8	$124.9
Required EBIT Margin	*19.3%*	*21.9%*	*24.6%*	*27.5%*	*30.4%*	*33.3%*	*36.4%*	*39.5%*	*42.6%*	*45.7%*	*48.8%*

ORACLE

Note: Combination analysis adds 1.5% of transaction-based expenses and 10.0% of cash acquisition-related charges.
(1) Financial impact based on Oracle fiscal year-ending May 31, 2004.

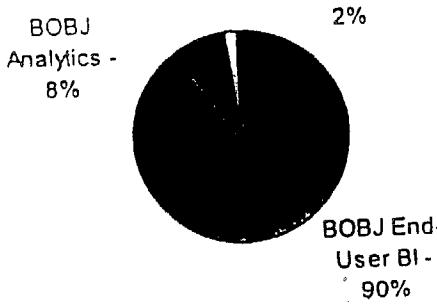
Business Objects

Business Objects – Company Overview

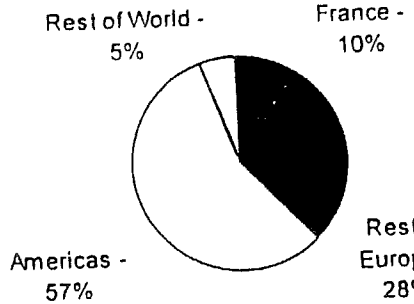
Description of Business

Ticker:	Public (Nasdaq: BOBJ)
Headquarters:	Dual HQ: France and San Jose, CA
Employees:	2,162 (323 sales reps) (34% of FTEs in France)
Customers:	17,000
Management:	Bernard Liautaud (CEO) - BOBJ Founder, Oracle John Olsen (COO) - Marimba, Cadence, KPMG Herve Couturier (SVP of Products) - S1 Corp, IBM, Xrt
Products:	End-user business intelligence: ° Query, reporting & analysis - creating and running analytic reports and queries ° Portal and broadcasting - BI information dissemination Analytic applications: ° Analytic engines for custom-developed end-user apps ° Prepackaged analytic applications Data integration tools and packaged solutions
Business Model Attributes:	° Total ASP of $40k, with 5 deals >$1mm in last quarter ° New customer ASP closer to $400-600k ° 46% of sales attributable to indirect channels

LTM PRODUCT MIX



LTM REVENUE BY GEOGRAPHY



Financial Summary

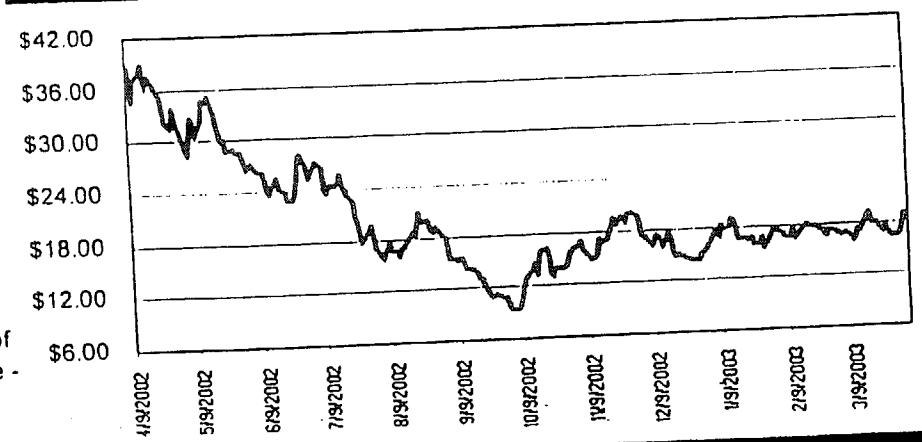
(in millions, except per share data)

Market Trading & Other Stats			
Price (04/04/03)	$18.29	Fiscal Year End	Dec.
LTM Hi/Low	$44.25/$8.96	Long-Term EPS Growth	15%
Equity Value	$1,189.3	Cash	$289.3
Enterprise Value	$911.5	Total Debt	$11.4

Financial Summary	CY'01	CY'02	CY'03	CY'04
Revenue	$415.8	$454.8	$495.0	$570.0
Growth Rate	*19%*	*9%*	*9%*	*15%*
License as % of Rev	*60%*	*54%*	*50%*	*51%*
Support as % of Rev	*n/a*	*n/a*	*n/a*	*n/a*
Gross Margin	84%	84%	84%	84%
Pro Forma EBIT Mrgn	16%	12%	14%	15%

Valuation Multiples	CY'02	CY'03	CY'04
EV / Revenue	2.0x	1.8x	1.6x
P/E Ratio	29.0x	24.4x	20.3x

LTM Stock Price Performance



ORACLE

Business Objects – Acquisition Rationale

Potential Upside

- BI/analytics remains a top spending priority
  * Key beachhead in apps business
- Gain additional presence and enthusiasm in the BI / analytics space
  * #1 in end-user query & reporting tools
  * #7 in OLAP tools, but strength on desktop
- Strong partnership in place between companies that would dovetail naturally with acquisition
- Distinct sales force that sells BI well and can leverage the Oracle installed base
- Quality financial results with attractive operating margins
- Accretive transaction with relatively minor operating synergies

Potential Drawbacks

- Despite movement of personnel to U.S. for dual HQ, still have French offices and local stock listing
  * 735 of 2,162 FTEs (34%) in France
- Preparing to launch latest rev of end-user BI product set (Tosca), with timing under pressure due to pending Cognos release
  * Web-based product achieves 80% of functionality of client/server product
- Has been slower to the emerging analytical applications / corporate performance management (CPM) market
- Could lose BOBJ customers that desire a database-agnostic vendor
- Difficult choices in combining offerings and reducing headcount
- Still digesting acquisition of Acta (ETL vendor) for $65mm in 7/02

Business Objects – Combination Analysis

- Assumes no adjustments to target entity's stand-alone financial model

Oracle Multiples for Comparison:

LTM Revenue	5.9x	LTM P/E	27.8x
CY'03 Revenue	5.9x	CY'03 P/E	25.9x
CY'04 Revenue	5.4x	CY'04 P/E	23.7x

(in millions, except per share data)

	BOBJ Purchase Price / Purchase Premium										
	$18.29	$20.12	$21.95	$23.78	$25.61	$27.44	$29.26	$31.09	$32.92	$34.75	$36.58
	0%	10%	20%	30%	40%	50%	60%	70%	80%	90%	100%
Market Value	$1,189.3	$1,311.3	$1,434.0	$1,556.9	$1,679.8	$1,802.6	$1,925.5	$2,048.4	$2,172.2	$2,296.8	$2,421.8
Enterprise Value	$911.5	$1,033.5	$1,156.2	$1,279.1	$1,401.9	$1,524.8	$1,647.7	$1,770.6	$1,894.4	$2,019.0	$2,143.9

Stand-Alone Financials:

LTM Revenue	$454.8	LTM EBIT Margin	11.8%	LTM EPS	$0.63
CY'03 Revenue	$495.0	CY'03 EBIT Margin	14.0%	CY'03 EPS	$0.75
CY'04 Revenue	$570.0	CY'04 EBIT Margin	15.4%	CY'04 EPS	$0.90

Multiples:											
LTM Revenue	2.0x	2.3x	2.5x	2.8x	3.1x	3.4x	3.6x	3.9x	4.2x	4.4x	4.7x
CY'03 Revenue	1.8x	2.1x	2.3x	2.6x	2.8x	3.1x	3.3x	3.6x	3.8x	4.1x	4.3x
CY'04 Revenue	1.6x	1.8x	2.0x	2.2x	2.5x	2.7x	2.9x	3.1x	3.3x	3.5x	3.8x
LTM P/E	29.0x	31.9x	34.8x	37.7x	40.6x	43.5x	46.5x	49.4x	52.3x	55.2x	58.1x
CY'03 P/E	24.4x	26.8x	29.3x	31.7x	34.1x	36.6x	39.0x	41.5x	43.9x	46.3x	48.8x
CY'04 P/E	20.3x	22.4x	24.4x	26.4x	28.5x	30.5x	32.5x	34.5x	36.6x	38.6x	40.6x
ORACLE IMPACT (1)											
Cash Acquisition:											
FY'04 EPS Accretion / (Dilution)	0.6%	0.4%	0.1%	(0.1%)	(0.3%)	(0.6%)	(0.8%)	(1.0%)	(1.3%)	(1.5%)	(1.8%)
B/E Required Pre-Tax Synergies	($20.8)	($12.6)	($4.3)	$4.0	$12.2	$20.5	$28.8	$37.1	$45.4	$53.9	$62.6
Required EBIT Margin	*10.8%*	*12.4%*	*13.9%*	*15.5%*	*17.0%*	*18.6%*	*20.2%*	*21.7%*	*23.3%*	*24.9%*	*26.5%*
Stock Acquisition:											
FY'04 EPS Accretion / (Dilution)	(0.6%)	(1.0%)	(1.3%)	(1.7%)	(2.0%)	(2.4%)	(2.7%)	(3.0%)	(3.4%)	(3.7%)	(4.1%)
B/E Required Pre-Tax Synergies	$22.5	$35.1	$47.8	$60.6	$73.3	$86.0	$98.8	$111.5	$124.4	$137.4	$150.6
Required EBIT Margin	*19.0%*	*21.3%*	*23.7%*	*26.1%*	*28.5%*	*30.9%*	*33.3%*	*35.7%*	*38.1%*	*40.6%*	*43.0%*

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Note: Combination analysis adds 1.5% of transaction-based expenses and 10.0% of cash acquisition-related charges.
(1) Financial impact based on Oracle fiscal year-ending May 31, 2004.

J.D. Edwards

J.D. Edwards – Company Overview

Description of Business

Ticker:	Public (Nasdaq: JDEC)
Headquarters:	Denver, CO
Employees:	4,938 (1,100+ in dev, 262 sales reps)
Customers:	6,650 (54% in U.S., 6% in Canada, 8% in Latin America, 20% in EMEA, and 12% in APAC) • 1/3 industrial, 1/3 consumer, 1/3 services
Management:	Bob Dutkowsky (CEO) - Teradyne, GenRad, EMC, IBM Harry Debes (SVP of Sales) - GEAC, Jonas & Erickson Mike Madden (CTO) - Digital Equipment Corp.
Products:	JD Edwards 5 / OneWorld - client/server / web-based ERP • 2,150 of total customers • Suite includes financials, logistics, manufacturing, SCM, APS, CRM, and state & local gov't WorldSoftware - AS/400-based ERP product line • 4,500 of total customers • Treated as cash cow with little additional improvements • Has seen little to no migration over past 5 years • Provides indefinite support
Business Model Attributes:	• 85% direct / 15% indirect (mostly at the low-end and in certain geographies) • 80% of JDE 5 deals are Unix/Windows • 80% of implementations done through SI partners

(in millions, except per customer data)

Vendor	LTM License Revenue	License Revenue Growth	# of Customers
SAP	$2,440.6	(11%)	19,000
Oracle (1)	604.7	(21%)	15,000
PeopleSoft	530.1	(18%)	4,900
J.D. Edwards	229.9	(1%)	6,650
Lawson Software	87.2	(47%)	2,000

Financial Summary

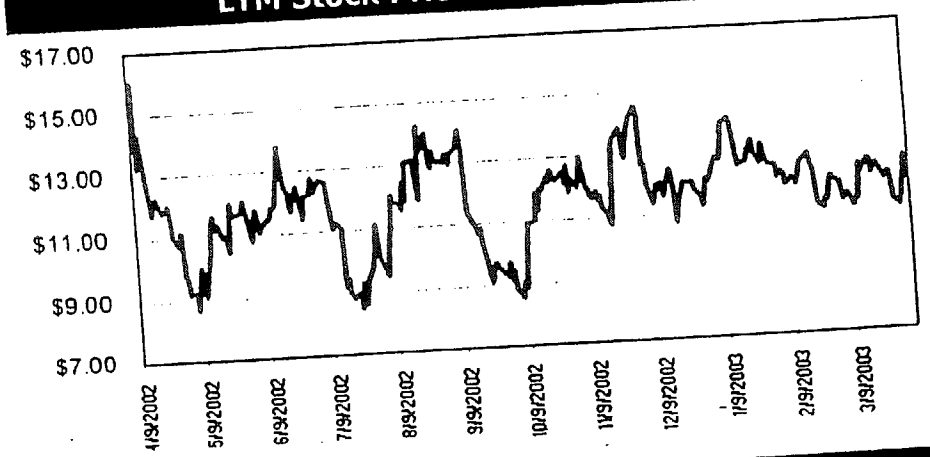
(in millions, except per share data)

Market Trading & Other Stats			
Price (04/04/03)	$11.60	Fiscal Year End	Oct.
LTM Hi/Low	$17.77/$8.18	Long-Term EPS Growth	17%
Equity Value	$1,403.5	Cash	$353.4
Enterprise Value	$1,050.1	Total Debt	$0.0

Financial Summary	CY'01	LTM	CY'03	CY'04
Revenue	$894.3	$905.7	$911.9	$952.0
Growth Rate	*(11%)*	*1%*	*1%*	*4%*
License as % of Rev	*30%*	*25%*	*26%*	*27%*
Support as % of Rev	*n/a*	*n/a*	*n/a*	*n/a*
Gross Margin	57%	60%	59%	59%
Pro Forma EBIT Mrgn	2%	6%	7%	8%

Valuation Multiples	LTM	CY'03	CY'04
EV / Revenue	1.2x	1.2x	1.1x
P/E Ratio	35.2x	32.2x	25.8x

LTM Stock Price Performance



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(1) Oracle figures represent new software licenses; growth rates based on 3 quarters only due to accounting change.

J.D. Edwards – Acquisition Rationale

Potential Upside

- Increase apps customer base to over 21,000 (versus 19,000 for SAP)
- Addition of strong mid-market presence
- Encourage more use of Oracle technology versus IBM
- Early in the upgrade cycle on JDE 5 makes migration point to Oracle EBS attractive
- Over $250mm of annual maintenance dollars, with 70-80% gross margins and 95% renewal rates
  * Also historically underpriced in the range of 13-16% of net license cost

Potential Drawbacks

- Around 4,500 of the company's 6,650 customers are AS/400-based
  * Represents <15% of new license sales
  * Challenge to sell outsourcing
- Running two different product sets increases support costs
- Struck a middleware deal with IBM that incorporates their software in every deal
  * Need to clarify ongoing relationship given the AS/400 background
- Recent executive management changes will make convincing on M&A harder
  * Has expressed willingness to talk in the past based on fiduciary duty only
- Strain current Oracle management - significant personnel changes and restructuring required

J.D. Edwards – Combination Analysis

- Assumes no adjustments to target entity's stand-alone financial model

Oracle Multiples for Comparison:

LTM Revenue	5.9x	LTM P/E	27.8x
CY'03 Revenue	5.9x	CY'03 P/E	25.9x
CY'04 Revenue	5.4x	CY'04 P/E	23.7x

(in millions, except per share data)

	JDEC Purchase Price / Purchase Premium										
	$11.60 0%	$12.76 10%	$13.92 20%	$15.08 30%	$16.24 40%	$17.40 50%	$18.56 60%	$19.72 70%	$20.88 80%	$22.04 90%	$23.20 100%
Market Value	$1,403.5	$1,553.3	$1,703.1	$1,852.9	$2,004.8	$2,158.6	$2,312.4	$2,466.1	$2,619.9	$2,773.6	$2,927.4
Enterprise Value	$1,050.1	$1,199.9	$1,349.7	$1,499.5	$1,651.4	$1,805.2	$1,959.0	$2,112.7	$2,266.5	$2,420.3	$2,574.0

Stand-Alone Financials:						
LTM Revenue	$905.7	LTM EBIT Margin	6.4%	LTM EPS	$0.33	
CY'03 Revenue	$911.9	CY'03 EBIT Margin	6.9%	CY'03 EPS	$0.36	
CY'04 Revenue	$952.0	CY'04 EBIT Margin	8.4%	CY'04 EPS	$0.45	

Multiples:											
LTM Revenue	1.2x	1.3x	1.5x	1.7x	1.8x	2.0x	2.2x	2.3x	2.5x	2.7x	2.8x
CY'03 Revenue	1.2x	1.3x	1.5x	1.6x	1.8x	2.0x	2.1x	2.3x	2.5x	2.7x	2.8x
CY'04 Revenue	1.1x	1.3x	1.4x	1.6x	1.7x	1.9x	2.1x	2.2x	2.4x	2.5x	2.7x
LTM P/E	35.2x	38.7x	42.2x	45.7x	49.2x	52.7x	56.2x	59.8x	63.3x	66.8x	70.3x
CY'03 P/E	32.2x	35.4x	38.7x	41.9x	45.1x	48.3x	51.6x	54.8x	58.0x	61.2x	64.4x
CY'04 P/E	25.8x	28.4x	30.9x	33.5x	36.1x	38.7x	41.2x	43.8x	46.4x	49.0x	51.6x
ORACLE IMPACT (1)											
Cash Acquisition:											
FY'04 EPS Accretion / (Dilution)	0.1%	(0.2%)	(0.5%)	(0.8%)	(1.1%)	(1.5%)	(1.8%)	(2.1%)	(2.4%)	(2.7%)	(3.0%)
B/E Required Pre-Tax Synergies	($2.1)	$8.3	$19.0	$29.6	$40.4	$51.6	$62.8	$74.0	$85.3	$96.5	$107.7
Required EBIT Margin	*7.1%*	*8.2%*	*9.4%*	*10.5%*	*11.7%*	*12.9%*	*14.1%*	*15.3%*	*16.5%*	*17.7%*	*18.9%*
Stock Acquisition:											
FY'04 EPS Accretion / (Dilution)	(1.3%)	(1.8%)	(2.2%)	(2.7%)	(3.1%)	(3.5%)	(4.0%)	(4.4%)	(4.9%)	(5.3%)	(5.8%)
B/E Required Pre-Tax Synergies	$49.0	$64.8	$80.9	$97.0	$113.2	$130.1	$146.9	$163.7	$180.5	$197.3	$214.2
Required EBIT Margin	*12.6%*	*14.3%*	*16.0%*	*17.8%*	*19.5%*	*21.3%*	*23.1%*	*24.9%*	*26.7%*	*28.5%*	*30.4%*

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Note: Combination analysis adds 1.5% of transaction-based expenses and 10.0% of cash acquisition-related charges.
(1) Financial Impact based on Oracle fiscal year-ending May 31, 2004.

J.D. Edwards – Combination ADJUSTED

- Adjustments to stand-alone financials to reflect revenue loss and expense reductions as a combined entity

Oracle Multiples for Comparison:

LTM Revenue	5.9x	LTM P/E	27.8x
CY'03 Revenue	5.9x	CY'03 P/E	25.9x
CY'04 Revenue	5.4x	CY'04 P/E	23.7x

(in millions, except per share data)

	JDEC Purchase Price / Purchase Premium										
	$11.60	$12.76	$13.92	$15.08	$16.24	$17.40	$18.56	$19.72	$20.88	$22.04	$23.20
	0%	10%	20%	30%	40%	50%	60%	70%	80%	90%	100%
Market Value	$1,403.5	$1,553.3	$1,703.1	$1,852.9	$2,004.8	$2,158.6	$2,312.4	$2,466.1	$2,619.9	$2,773.6	$2,927.4
Enterprise Value	$1,050.1	$1,199.9	$1,349.7	$1,499.5	$1,651.4	$1,805.2	$1,959.0	$2,112.7	$2,266.5	$2,420.3	$2,574.0

Adjusted JDEC Financials for Oracle FY'04:

- Assumes 70% loss of license revenue (and associated cost of license); reflects lack of new sales going forward
- Assumes 40% loss of services revenue (and associated 65% reduction in cost of services); reflects lack of prof services revenue tag-along to licenses
- Assumes 60% reduction in operating expenses; reflects cost synergies from consolidating operations and reducing headcount

	Stand-Alone	Adj.	Pro Forma
FY'04 Revenue	$931.0	($446.8)	$484.2
Expenses:			
FY'04 Cost of Revenue	$385.1	($252.5)	$132.6
FY'04 Op Expenses	$477.5	($286.5)	$191.0
FY'04 Pro Forma EBIT	$68.4		$160.6
EBIT Margin	*7.3%*		*33.2%*

ORACLE IMPACT (1)

Cash Acquisition:											
FY'04 EPS Accretion / (Dilution)	2.6%	2.3%	2.0%	1.7%	1.5%	1.2%	0.9%	0.6%	0.3%	0.1%	(0.2%)
B/E Required Pre-Tax Synergies	($91.9)	($81.9)	($71.9)	($61.8)	($51.8)	($41.8)	($31.8)	($21.8)	($11.8)	($1.8)	$8.2
Required EBIT Margin	*14.2%*	*16.3%*	*18.3%*	*20.4%*	*22.5%*	*24.5%*	*26.6%*	*28.7%*	*30.7%*	*32.8%*	*34.9%*
Stock Acquisition:											
FY'04 EPS Accretion / (Dilution)	1.1%	0.7%	0.3%	(0.1%)	(0.6%)	(1.0%)	(1.4%)	(1.8%)	(2.3%)	(2.7%)	(3.1%)
B/E Required Pre-Tax Synergies	($41.3)	($25.7)	($10.1)	$5.4	$21.0	$36.6	$52.2	$67.8	$83.4	$99.0	$114.6
Required EBIT Margin	*24.6%*	*27.8%*	*31.1%*	*34.3%*	*37.5%*	*40.7%*	*44.0%*	*47.2%*	*50.4%*	*53.6%*	*56.8%*

ORACLE

Note: Combination analysis adds 1.5% of transaction-based expenses and 10.0% of cash acquisition-related charges.
(1) Financial impact based on Oracle fiscal year-ending May 31, 2004.

PeopleSoft

PeopleSoft.

PeopleSoft – Company Overview

Description of Business

Ticker:	Public (Nasdaq: PSFT)
Headquarters:	Pleasanton, CA
Employees:	8,293 (42% - svcs, 29% - R&D, 19% - S&M, 10% - G&A)
Customers:	4,856 (75% >$300mm, 25% $50-$300mm in size)
Management:	Craig Conway (CEO) - OneTouch, TGV Software, Oracle Phil Wilmington (EVP of Americas) - Trinet, Tesseract Ram Gupta (EVP of Products) - Silicon Graphics, IBM
Products:	190 different modules in the following categories: • PeopleSoft CRM • PeopleSoft Financial Management • PeopleSoft Enterprise Service Automation • PeopleSoft Human Capital Management • PeopleSoft Supply Chain Management • PeopleSoft Enterprise Performance Mgmt - analytics • PeopleSoft App Connect - portal, integration & warehouse • PeopleSoft Student Administration - higher ed processes
Business Model Attributes:	• 60-65% of revenue from North America • Sales force split into HR, Financials, SCM and CRM • Indirect channels primarily for mid-market • Best verticals have been hi-tech and fin services

(in millions, except per customer data)

Vendor	LTM License Revenue	License Revenue Growth	# of Customers
SAP	$2,440.6	(11%)	19,000
Oracle (1)	604.7	(21%)	15,000
PeopleSoft	530.1	(18%)	4,900
J.D. Edwards	229.9	(1%)	6,650
Lawson Software	87.2	(47%)	2,000

Financial Summary

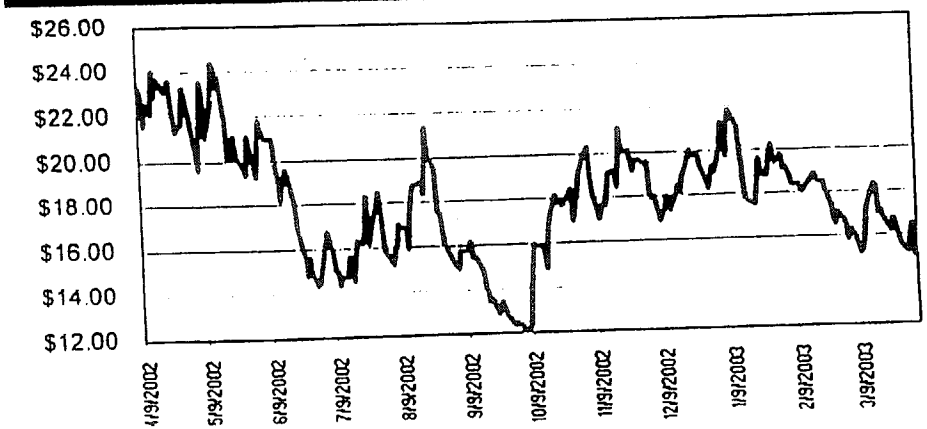
(in millions, except per share data)

Market Trading & Other Stats			
Price (04/04/03)	$14.85	Fiscal Year End	Dec.
LTM Hi/Low	$37.62/$11.75	Long-Term EPS Growth	15%
Equity Value	$4,729.7	Cash	$1,907.5
Enterprise Value	$2,822.2	Total Debt	$0.0

Financial Summary	CY'01	CY'02	CY'03	CY'04
Revenue	$2,119.1	$1,948.9	$1,897.0	$2,020.8
Growth Rate	*22%*	*(8%)*	*(3%)*	*7%*
License as % of Rev	*30%*	*27%*	*22%*	*23%*
Support as % of Rev	*n/a*	*n/a*	*n/a*	*n/a*
Gross Margin	58%	63%	61%	61%
Pro Forma EBIT Mrgn	12%	13%	14%	15%

Valuation Multiples	CY'02	CY'03	CY'04
EV / Revenue	1.4x	1.5x	1.4x
P/E Ratio	24.8x	23.6x	20.6x

LTM Stock Price Performance



ORACLE

(1) Oracle figures represent new software licenses; growth rates based on 3 quarters only due to accounting change.

PeopleSoft – Acquisition Rationale

Potential Upside

- Combination creates stronger ability to compete successfully with SAP
  * Also CRM suite could be more competitive against Siebel
- Complementary expertise – Oracle in supply chain management / planning and PSFT in HR, higher ed and services
- Addition of loyal customer base of 4,900
  * Combined total of almost 20,000
- Significant % of customers run on the Oracle database
- Location of HQ in Bay area will make management transition smoother

Potential Drawbacks

- May cause significant sales disruption for both companies
- Company is in later stages of migrations to PeopleSoft 8
  * Over 50% have upgraded or are in the process of upgrading
- Preannounced lower-than-expected results for Q1 (ending 3/31/03) as license deals slipped due to macro economy
- Has used aggressive accounting historically
- Strain current Oracle management - significant personnel changes and restructuring required
- Substantial negative revenue synergies quickly erodes operating synergies and reduces likelihood of EPS accretion

PeopleSoft – Combination Analysis

- Assumes no adjustments to target entity's stand-alone financial model

Oracle Multiples for Comparison:

LTM Revenue	5.9x	LTM P/E	27.8x
CY'03 Revenue	5.9x	CY'03 P/E	25.9x
CY'04 Revenue	5.4x	CY'04 P/E	23.7x

(in millions, except per share data)

		PSFT Purchase Price / Purchase Premium										
		$14.85 0%	$16.34 10%	$17.82 20%	$19.31 30%	$20.79 40%	$22.28 50%	$23.76 60%	$25.25 70%	$26.73 80%	$28.22 90%	$29.70 100%
Market Value		$4,729.7	$5,232.0	$5,737.3	$6,257.6	$6,777.8	$7,298.1	$7,818.4	$8,367.5	$8,930.5	$9,493.5	$10,056.5
Enterprise Value		$2,822.2	$3,324.5	$3,829.8	$4,350.1	$4,870.3	$5,390.6	$5,910.8	$6,460.0	$7,023.0	$7,586.0	$8,149.0
Stand-Alone Financials:												
LTM Revenue	$1,948.9	LTM EBIT Margin			13.5%	LTM EPS		$0.60				
CY'03 Revenue	$1,897.0	CY'03 EBIT Margin			13.5%	CY'03 EPS		$0.63				
CY'04 Revenue	$2,020.8	CY'04 EBIT Margin			14.6%	CY'04 EPS		$0.72				
Multiples:												
LTM Revenue		1.4x	1.7x	2.0x	2.2x	2.5x	2.8x	3.0x	3.3x	3.6x	3.9x	4.2x
CY'03 Revenue		1.5x	1.8x	2.0x	2.3x	2.6x	2.8x	3.1x	3.4x	3.7x	4.0x	4.3x
CY'04 Revenue		1.4x	1.6x	1.9x	2.2x	2.4x	2.7x	2.9x	3.2x	3.5x	3.8x	4.0x
LTM P/E		24.8x	27.2x	29.7x	32.2x	34.7x	37.1x	39.6x	42.1x	44.6x	47.0x	49.5x
CY'03 P/E		23.6x	25.9x	28.3x	30.6x	33.0x	35.4x	37.7x	40.1x	42.4x	44.8x	47.1x
CY'04 P/E		20.6x	22.7x	24.8x	26.8x	28.9x	30.9x	33.0x	35.1x	37.1x	39.2x	41.3x
ORACLE IMPACT (1)												
Cash Acquisition:												
FY'04 EPS Accretion / (Dilution)		2.4%	1.5%	0.5%	(0.5%)	(1.5%)	(2.6%)	(3.6%)	(4.7%)	(5.9%)	(7.1%)	(8.2%)
B/E Required Pre-Tax Synergies		($86.2)	($52.4)	($17.9)	$18.3	$54.5	$90.7	$127.0	$165.8	$208.1	$250.3	$292.6
Required EBIT Margin		*9.7%*	*11.4%*	*13.1%*	*15.0%*	*16.8%*	*18.7%*	*20.5%*	*22.5%*	*24.7%*	*26.8%*	*29.0%*
Stock Acquisition:												
FY'04 EPS Accretion / (Dilution)		(2.2%)	(3.6%)	(4.9%)	(6.3%)	(7.6%)	(9.0%)	(10.3%)	(11.6%)	(13.1%)	(14.5%)	(15.9%)
B/E Required Pre-Tax Synergies		$85.7	$137.8	$190.7	$245.8	$300.9	$356.1	$411.2	$470.0	$532.7	$595.5	$658.2
Required EBIT Margin		*18.4%*	*21.1%*	*23.8%*	*26.6%*	*29.4%*	*32.2%*	*35.0%*	*38.0%*	*41.2%*	*44.4%*	*47.6%*

ORACLE

Note: Combination analysis adds 1.5% of transaction-based expenses and 10.0% of cash acquisition-related charges.
(1) Financial impact based on Oracle fiscal year-ending May 31, 2004.

PeopleSoft – Combination ADJUSTED

- Adjustments to stand-alone financials to reflect revenue loss and expense reductions as a combined entity

Oracle Multiples for Comparison:

LTM Revenue	5.9x	LTM P/E	27.8x
CY'03 Revenue	5.9x	CY'03 P/E	25.9x
CY'04 Revenue	5.4x	CY'04 P/E	23.7x

(in millions, except per share data)

	PSFT Purchase Price / Purchase Premium										
	$14.85	$16.34	$17.82	$19.31	$20.79	$22.28	$23.76	$25.25	$26.73	$28.22	$29.70
	0%	10%	20%	30%	40%	50%	60%	70%	80%	90%	100%
Market Value	$4,729.7	$5,232.0	$5,737.3	$6,257.6	$6,777.8	$7,298.1	$7,818.4	$8,367.5	$8,930.5	$9,493.5	$10,056.5
Enterprise Value	$2,822.2	$3,324.5	$3,829.8	$4,350.1	$4,870.3	$5,390.6	$5,910.8	$6,460.0	$7,023.0	$7,586.0	$8,149.0

Adjusted PSFT Financials for Oracle FY'04:

- Assumes 70% loss of license revenue (and associated cost of license); reflects lack of new sales going forward
- Assumes 40% loss of services revenue (and associated 65% reduction in cost of services); reflects lack of prof services revenue tag-along to licenses
- Assumes 60% reduction in operating expenses; reflects cost synergies from consolidating operations and reducing headcount

	Stand-Alone	Adj.	Pro Forma
FY'04 Revenue	$1,961.9	($918.9)	$1,043.0
Expenses:			
FY'04 Cost of Revenue	$766.7	($500.1)	$266.6
FY'04 Op Expenses	$919.3	($551.6)	$367.7
FY'04 Pro Forma EBIT	$275.9		$408.8
EBIT Margin	*14.1%*		*39.2%*

ORACLE IMPACT (1)

Cash Acquisition:											
FY'04 EPS Accretion / (Dilution)	6.0%	5.1%	4.1%	3.2%	2.2%	1.3%	0.3%	(0.7%)	(1.6%)	(2.6%)	(3.5%)
B/E Required Pre-Tax Synergies	($213.8)	($179.9)	($146.1)	($112.2)	($78.3)	($44.5)	($10.6)	$23.2	$57.1	$91.0	$124.8
Required EBIT Margin	*18.7%*	*21.9%*	*25.2%*	*28.4%*	*31.7%*	*34.9%*	*38.2%*	*41.4%*	*44.7%*	*47.9%*	*51.2%*
Stock Acquisition:											
FY'04 EPS Accretion / (Dilution)	1.1%	(0.3%)	(1.6%)	(2.9%)	(4.3%)	(5.6%)	(6.8%)	(8.1%)	(9.3%)	(10.5%)	(11.7%)
B/E Required Pre-Tax Synergies	($43.0)	$9.7	$62.5	$115.3	$168.1	$220.8	$273.6	$326.4	$379.2	$431.9	$484.7
Required EBIT Margin	*35.1%*	*40.1%*	*45.2%*	*50.2%*	*55.3%*	*60.4%*	*65.4%*	*70.5%*	*75.5%*	*80.6%*	*85.7%*

ORACLE

Note: Combination analysis adds 1.5% of transaction-based expenses and 10.0% of cash acquisition-related charges.
(1) Financial impact based on Oracle fiscal year-ending May 31, 2004.

Lawson Software

LAWSON™

Lawson Software – Company Overview

Description of Business

Ticker: Public (Nasdaq: LWSN)
Headquarters: St. Paul, MN
Employees: 1,697 (102 sales reps) (91% of employees in U.S.)
Customers: 2,000 active out of 4,100 total
- 10% >$1bn, 30% = $250mm-$1bn, 70% <$250mm
- 50% on Unix, 25% on NT, 25% on AS/400
- Over 50% running an Oracle database

Management: Jay Coughlan (CEO) - At LWSN for last 15 years
Eric Morgan (GM of Health Care) - Global Turnkey, NCR
Dean Hager (EVP of Products) - IBM

Products:
- Suite includes financials, HR, procurement, SA/PSA, distribution, and analytics/budgeting

Financials	HR	Procurement	Distribution	CRM
General ledger	Benefits admin	Requisitions	Order entry	Sales (SEBL)
Project & activity accounting	Payroll	Payables management	Work order	Service (SEBL)
Strategic ledger	Absence mgmt	Purchase order	Warehouse	Marketing (SEBL)
Enterprise budgeting (HYSL)	Personnel administration	Inventory control	Sales analysis	
Consolidations	Pay-to-bill	e-Procurement	Billing	
Asset mgmt	HR analytics		Franchise mgmt	
A/P and A/R	e-Recruiting		Merchandising	
Encumbrance accounting			Store operations	
Cash & treasury management			Replenishment	

Business Model Attributes:
- 94% of revenue from U.S., 4% from EMEA, 2% Canada
- ASP averages ~$250k; partners influence 20% of deals

(in millions, except per customer data)

Vendor	LTM License Revenue	License Revenue Growth	# of Customers
SAP	$2,440.6	(11%)	19,000
Oracle (1)	604.7	(21%)	15,000
PeopleSoft	530.1	(18%)	4,900
J.D. Edwards	229.9	(1%)	6,650
Lawson Software	87.2	(47%)	2,000

Financial Summary

(in millions, except per share data)

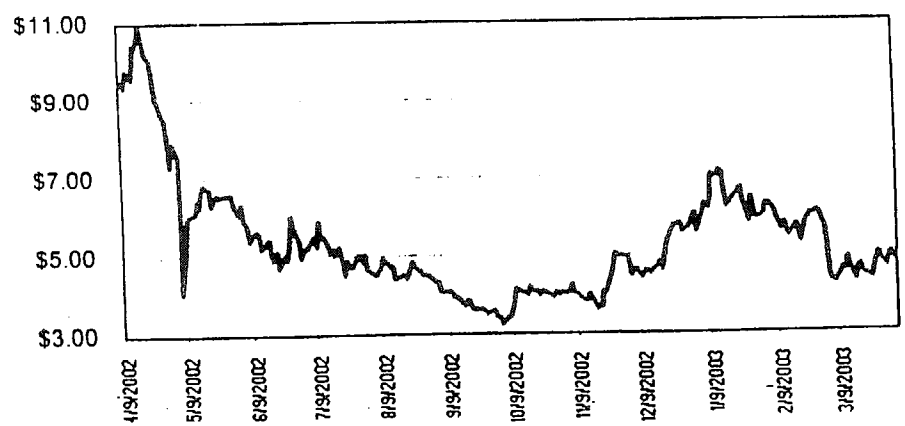
Market Trading & Other Stats

Price (04/04/03)	$4.82	Fiscal Year End	May
LTM Hi/Low	$11.98/$3.00	Long-Term EPS Growth	10%
Equity Value	$540.4	Cash	$249.2
Enterprise Value	$292.5	Total Debt	$1.2

Financial Summary	CY'01	LTM	CY'03	CY'04
Revenue	$388.0	$360.6	$318.7	$351.1
Growth Rate	*9%*	*(18%)*	*(21%)*	*10%*
License as % of Rev	*36%*	*24%*	*18%*	*20%*
Support as % of Rev	*n/a*	*n/a*	*n/a*	*n/a*
Gross Margin	60%	55%	54%	55%
Pro Forma EBIT Mrgn	8%	(1%)	(0%)	4%

Valuation Multiples	LTM	CY'03	CY'04
EV / Revenue	0.8x	0.9x	0.8x
P/E Ratio	96.4x	nmf	53.6x

LTM Stock Price Performance



ORACLE

(1) Oracle figures represent new software licenses; growth rates based on 3 quarters only due to accounting change.

Lawson Software – Acquisition Rationale

Potential Upside

- Focus on mid-market services sector is complementary to Oracle's strengths
  * Health care is strongest vertical (21% of customer base)
  * Others include retail (12%), prof svcs (8%), fin svcs (8%) & public sector (6%)
- Significant vertical expertise on staff
- Nearly 70% of customers haven't upgraded to latest version of LWSN
- Company has not focused on upselling existing customers
- Opportunity to increase maintenance revenue due to underpricing as well as chance to recapture lost customers
- Relatively few code changes required to provide customer migration path
  * Willing to leverage Oracle technologies

Potential Drawbacks

- Company has had worst performance of all major enterprise apps vendors since going public
  * Lack of ability to manage operations to meet expectations
- Majority concentration of ownership puts M&A decision in hands of founders
- High concentration of 3rd party products (~15%), and provides 1st and 2nd level support on a few of them
- Cultural differences exist
- Significant personnel reductions and restructuring charges required
- Management has in the past been stubborn on valuation requirements

Lawson Software – Combination Analysis

- Assumes no adjustments to target entity's stand-alone financial model

Oracle Multiples for Comparison:

LTM Revenue	5.9x	LTM P/E	27.8x
CY'03 Revenue	5.9x	CY'03 P/E	25.9x
CY'04 Revenue	5.4x	CY'04 P/E	23.7x

(in millions, except per share data)

		LWSN Purchase Price / Purchase Premium										
		$4.82	$5.30	$5.78	$6.27	$6.75	$7.23	$7.71	$8.19	$8.68	$9.16	$9.64
		0%	10%	20%	30%	40%	50%	60%	70%	80%	90%	100%
Market Value		$540.4	$600.4	$661.7	$722.9	$784.3	$845.6	$907.0	$968.4	$1,029.7	$1,091.1	$1,152.5
Enterprise Value		$292.5	$352.5	$413.7	$474.9	$536.3	$597.7	$659.0	$720.4	$781.8	$843.2	$904.5
Stand-Alone Financials:												
LTM Revenue	$360.6	LTM EBIT Margin			(0.8%)	LTM EPS		$0.05				
CY'03 Revenue	$318.7	CY'03 EBIT Margin			(0.2%)	CY'03 EPS		$0.02				
CY'04 Revenue	$351.1	CY'04 EBIT Margin			3.5%	CY'04 EPS		$0.09				
Multiples:												
LTM Revenue		0.8x	1.0x	1.1x	1.3x	1.5x	1.7x	1.8x	2.0x	2.2x	2.3x	2.5x
CY'03 Revenue		0.9x	1.1x	1.3x	1.5x	1.7x	1.9x	2.1x	2.3x	2.5x	2.6x	2.8x
CY'04 Revenue		0.8x	1.0x	1.2x	1.4x	1.5x	1.7x	1.9x	2.1x	2.2x	2.4x	2.6x
LTM P/E		96.4x	106.0x	115.7x	125.3x	135.0x	144.6x	154.2x	163.9x	173.5x	183.2x	192.8x
CY'03 P/E		241.0x	265.1x	289.2x	313.3x	337.4x	361.5x	385.6x	409.7x	433.8x	457.9x	482.0x
CY'04 P/E		53.6x	58.9x	64.3x	69.6x	75.0x	80.3x	85.7x	91.0x	96.4x	101.8x	107.1x
ORACLE IMPACT (1)												
Cash Acquisition:												
FY'04 EPS Accretion / (Dilution)		(0.3%)	(0.5%)	(0.6%)	(0.7%)	(0.9%)	(1.0%)	(1.2%)	(1.3%)	(1.5%)	(1.6%)	(1.7%)
B/E Required Pre-Tax Synergies		$12.1	$16.5	$21.5	$26.5	$31.5	$36.5	$41.5	$46.5	$51.5	$56.5	$61.5
Required EBIT Margin		*6.3%*	*7.6%*	*9.1%*	*10.5%*	*12.0%*	*13.5%*	*15.0%*	*16.4%*	*17.9%*	*19.4%*	*20.9%*
Stock Acquisition:												
FY'04 EPS Accretion / (Dilution)		(0.9%)	(1.1%)	(1.3%)	(1.5%)	(1.7%)	(1.9%)	(2.1%)	(2.3%)	(2.5%)	(2.7%)	(2.9%)
B/E Required Pre-Tax Synergies		$31.8	$38.4	$45.6	$52.8	$60.0	$67.2	$74.4	$81.7	$88.9	$96.1	$103.4
Required EBIT Margin		*12.1%*	*14.1%*	*16.2%*	*18.3%*	*20.4%*	*22.6%*	*24.7%*	*26.8%*	*29.0%*	*31.1%*	*33.3%*

ORACLE

Note: Combination analysis adds 1.5% of transaction-based expenses and 10.0% of cash acquisition-related charges.
(1) Financial impact based on Oracle fiscal year-ending May 31, 2004.

Lawson Software – Combination ADJUSTED

- Adjustments to stand-alone financials to reflect revenue loss and expense reductions as a combined entity

Oracle Multiples for Comparison:

LTM Revenue	5.9x	LTM P/E	27.8x
CY'03 Revenue	5.9x	CY'03 P/E	25.9x
CY'04 Revenue	5.4x	CY'04 P/E	23.7x

(in millions, except per share data)

	LWSN Purchase Price / Purchase Premium										
	$4.82	$5.30	$5.78	$6.27	$6.75	$7.23	$7.71	$8.19	$8.68	$9.16	$9.64
	0%	10%	20%	30%	40%	50%	60%	70%	80%	90%	100%
Market Value	$540.4	$600.4	$661.7	$722.9	$784.3	$845.6	$907.0	$968.4	$1,029.7	$1,091.1	$1,152.5
Enterprise Value	$292.5	$352.5	$413.7	$474.9	$536.3	$597.7	$659.0	$720.4	$781.8	$843.2	$904.5

Adjusted LWSN Financials for Oracle FY'04:

- Assumes 70% loss of license revenue (and associated cost of license); reflects lack of new sales going forward
- Assumes 40% loss of services revenue (and associated 65% reduction in cost of services); reflects lack of prof services revenue tag-along to licenses
- Assumes 60% reduction in operating expenses; reflects cost synergies from consolidating operations and reducing headcount

	Stand-Alone	Adj.	Pro Forma
FY'04 Revenue	$338.5	($155.4)	$183.1
Expenses:			
FY'04 Cost of Revenue	$151.7	($99.1)	$52.6
FY'04 Op Expenses	$177.6	($106.6)	$71.0
FY'04 Pro Forma EBIT	$9.2		$59.5
EBIT Margin	2.7%		32.5%

ORACLE IMPACT (1)

Cash Acquisition:											
FY'04 EPS Accretion / (Dilution)	1.0%	0.9%	0.8%	0.6%	0.5%	0.4%	0.3%	0.2%	0.1%	(0.0%)	(0.1%)
B/E Required Pre-Tax Synergies	($34.8)	($30.8)	($26.8)	($22.8)	($18.8)	($14.8)	($10.8)	($6.8)	($2.8)	$1.2	$5.2
Required EBIT Margin	*13.5%*	*15.7%*	*17.8%*	*20.0%*	*22.2%*	*24.4%*	*26.6%*	*28.8%*	*30.9%*	*33.1%*	*35.3%*
Stock Acquisition:											
FY'04 EPS Accretion / (Dilution)	0.4%	0.2%	0.1%	(0.1%)	(0.3%)	(0.4%)	(0.6%)	(0.8%)	(1.0%)	(1.1%)	(1.3%)
B/E Required Pre-Tax Synergies	($15.2)	($9.0)	($2.7)	$3.5	$9.7	$16.0	$22.2	$28.4	$34.6	$40.9	$47.1
Required EBIT Margin	*24.2%*	*27.6%*	*31.0%*	*34.4%*	*37.8%*	*41.2%*	*44.6%*	*48.0%*	*51.4%*	*54.8%*	*58.2%*

ORACLE

Note: Combination analysis adds 1.5% of transaction-based expenses and 10.0% of cash acquisition-related charges.
(1) Financial Impact based on Oracle fiscal year-ending May 31, 2004.

Cerner

Cerner – Company Overview

Description of Business

Ticker:	Public (Nasdaq: CERN)
Headquarters:	Kansas City, MO
Employees:	4,791 (33% in software development)
Customers:	1,500
Management:	Neal Patterson (CEO) - CERN Founder, Arthur Andersen Trace Devanny (President) - ADAC Health, IBM Doug Krebs (SVP of S&M) - IBM
Products:	Cerner Millenium HCIS solutions: • Enterprise repositories - health care data repositories • Enterprise-wide solutions - access mgmt, care mgmt, financials, document mgmt, health information mgmt • Clinical - points-of-care mgmt systems (ER, acute, etc.), pharmacy mgmt, radiology systems, lab info systems • Decision support - data warehouse for health care • Consumer - Internet-based health care community • Packaged solutions - physician order-entry, revenue cycle management • Health care organizations - solutions for specific groups • Technologies - code toolkit, app integration, portal

(in millions)

	Q1'01	Q2'01	Q3'01	Q4'01	Q1'02	Q2'02	Q3'02	Q4'02
Bookings	$117	$128	$131	$150	$172	$178	$183	$202
Y-over-Y Growth	*23%*	*37%*	*34%*	*32%*	*47%*	*40%*	*40%*	*35%*
Backlog	$666	$711	$749	$788	$850	$918	$956	$1,002
Y-over-Y Growth	*24%*	*26%*	*27%*	*26%*	*28%*	*29%*	*28%*	*27%*
Revenue	$121	$130	$140	$152	$175	$181	$190	$206
Y-over-Y Growth	*39%*	*39%*	*34%*	*27%*	*45%*	*39%*	*36%*	*36%*

Financial Summary

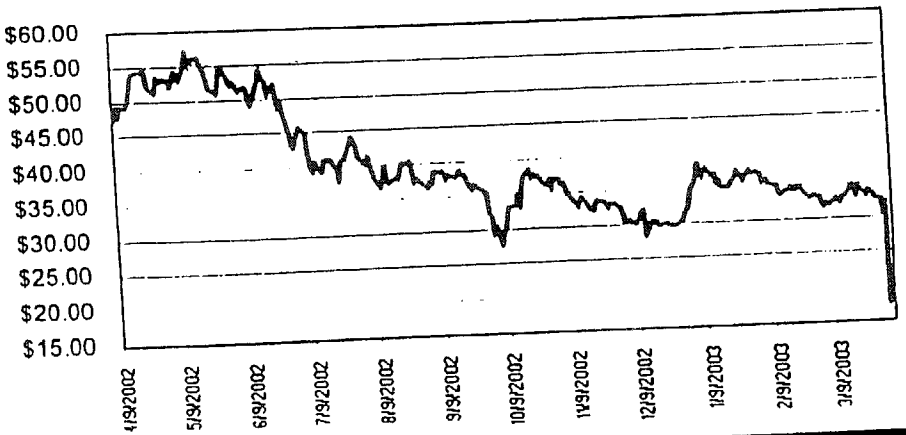
(in millions, except per share data)

Market Trading & Other Stats			
Price (04/04/03)	$18.15	Fiscal Year End	Dec.
LTM Hi/Low	$57.05/$17.44	Long-Term EPS Growth	30%
Equity Value	$650.7	Cash	$142.5
Enterprise Value	$657.0	Total Debt	$148.8

Financial Summary	CY'01	CY'02	CY'03	CY'04
Revenue	$542.4	$751.9	$852.0	$999.0
Growth Rate	*34%*	*39%*	*13%*	*17%*
License as % of Rev	*45%*	*44%*	*42%*	*43%*
Support as % of Rev	*n/a*	*n/a*	*n/a*	*n/a*
Gross Margin	79%	78%	76%	78%
Pro Forma EBIT Mrgn	11%	12%	8%	12%

Valuation Multiples	CY'02	CY'03	CY'04
EV / Revenue	0.9x	0.8x	0.7x
P/E Ratio	13.0x	18.2x	9.9x

LTM Stock Price Performance



ORACLE

Cerner – Acquisition Rationale

Potential Upside	Potential Drawbacks
• Gain clear leader in health care market * Industry-wide / government push to eliminate medical error and reduce costs of health care delivery • Has shown tremendous revenue growth * 30% CAGR from 1999-2002 * Built in backlog has topped $1 billion, but shortfall announced on 4/3/03 • Significant vertical expertise on staff • Product set runs on the Oracle database • Additive to Oracle given relatively minor overlap in product offerings • Attractive operating margins already built as stand-alone business • Accretive transaction with relatively minor operating synergies	• Large bet on single vertical – health care • Signs of health care fatigue as the company preannounced worse-than-expected results for Q1 • Competitors argue that Cerner's systems are difficult to integrate and leverage proprietary middleware * Released MilleniumObjects to combat this and provide easier external interface • Many customers have performed significant customization • Exposed to issues of reimbursement environment that affect IT spending • Sizable cultural differences • Cerner capitalizes a large portion of development spending * 33% in last quarter

Cerner – Combination Analysis

- Assumes no adjustments to target entity's stand-alone financial model

Oracle Multiples for Comparison.

LTM Revenue	5.9x	LTM P/E	27.8x
CY'03 Revenue	5.9x	CY'03 P/E	25.9x
CY'04 Revenue	5.4x	CY'04 P/E	23.7x

(in millions, except per share data)

		CERN Purchase Price / Purchase Premium										
		$18.15	$19.97	$21.78	$23.60	$25.41	$27.23	$29.04	$30.86	$32.67	$34.49	$36.30
		0%	10%	20%	30%	40%	50%	60%	70%	80%	90%	100%
Market Value		$650.7	$719.4	$788.1	$856.8	$925.4	$998.5	$1,071.8	$1,145.0	$1,218.3	$1,291.6	$1,364.8
Enterprise Value		$657.0	$725.7	$794.4	$863.1	$931.7	$1,004.8	$1,078.1	$1,151.3	$1,224.6	$1,297.9	$1,371.1
Stand-Alone Financials:												
LTM Revenue	$751.9	LTM EBIT Margin			12.1%	LTM EPS		$1.40				
CY'03 Revenue	$852.0	CY'03 EBIT Margin			8.1%	CY'03 EPS		$1.00				
CY'04 Revenue	$999.0	CY'04 EBIT Margin			12.2%	CY'04 EPS		$1.84				
Multiples:												
LTM Revenue		0.9x	1.0x	1.1x	1.1x	1.2x	1.3x	1.4x	1.5x	1.6x	1.7x	1.8x
CY'03 Revenue		0.8x	0.9x	0.9x	1.0x	1.1x	1.2x	1.3x	1.4x	1.4x	1.5x	1.6x
CY'04 Revenue		0.7x	0.7x	0.8x	0.9x	0.9x	1.0x	1.1x	1.2x	1.2x	1.3x	1.4x
LTM P/E		13.0x	14.3x	15.6x	16.9x	18.2x	19.4x	20.7x	22.0x	23.3x	24.6x	25.9x
CY'03 P/E		18.2x	20.0x	21.8x	23.6x	25.4x	27.2x	29.0x	30.9x	32.7x	34.5x	36.3x
CY'04 P/E		9.9x	10.9x	11.8x	12.8x	13.8x	14.8x	15.8x	16.8x	17.8x	18.7x	19.7x
ORACLE IMPACT (1)												
Cash Acquisition:												
FY'04 EPS Accretion / (Dilution)		2.0%	1.9%	1.7%	1.6%	1.5%	1.3%	1.2%	1.0%	0.9%	0.7%	0.6%
B/E Required Pre-Tax Synergies		($70.4)	($65.8)	($61.2)	($56.6)	($51.8)	($46.6)	($41.5)	($36.3)	($31.1)	($26.0)	($20.8)
Required EBIT Margin		*2.7%*	*3.2%*	*3.7%*	*4.2%*	*4.7%*	*5.3%*	*5.8%*	*6.4%*	*7.0%*	*7.5%*	*8.1%*
Stock Acquisition:												
FY'04 EPS Accretion / (Dilution)		1.3%	1.1%	0.9%	0.7%	0.5%	0.3%	0.1%	(0.1%)	(0.4%)	(0.6%)	(0.8%)
B/E Required Pre-Tax Synergies		($46.8)	($39.7)	($32.6)	($25.4)	($18.1)	($10.3)	($2.5)	$5.3	$13.1	$21.0	$28.8
Required EBIT Margin		*5.3%*	*6.0%*	*6.8%*	*7.6%*	*8.4%*	*9.2%*	*10.0%*	*10.9%*	*11.7%*	*12.6%*	*13.4%*

ORACLE

Note: Combination analysis adds 1.5% of transaction-based expenses and 10.0% of cash acquisition-related charges.
(1) Financial impact based on Oracle fiscal year-ending May 31, 2004.

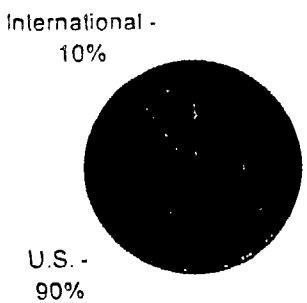
SCT Corporation

SCT Corp. – Company Overview

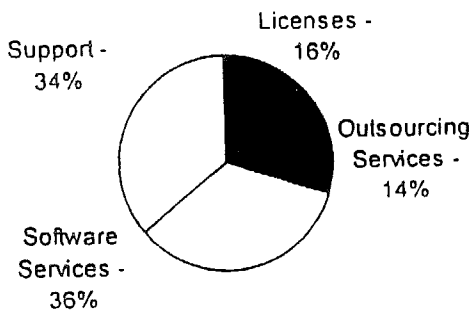
Description of Business

Ticker:	Public (Nasdaq: SCTC)
Headquarters:	Malvern, PA
Employees:	1,600 (50% based in Malvern)
Customers:	1,300
Management:	Mike Chamberlain (CEO) - GE, IBM, McDonnell Douglas Bob Moul (President of Field Ops) - EDS Roy Zatcoff (EVP of Products) - Cullinet, Computer Task
Products:	Enterprise-wide e-Education solutions: • SCT Banner - administrative computing in higher ed built in Oracle environment • SCT PowerCampus - administrative computing built for institutions with low enrollment in MSFT environment • SCT Matrix - for complex institutions in MSFT environ • SCT Campus Pipeline & Luminus - portal, platform, integration, and content management technologies • SCT Plus - administrative apps built for mainframe
Business Model Attributes:	• 105 direct sales & support staff • Sales cycle ranges from 6 to 24 months

LTM REVENUE BY GEOGRAPHY



LTM REVENUE BY CATEGORY



Financial Summary

(in millions, except per share data)

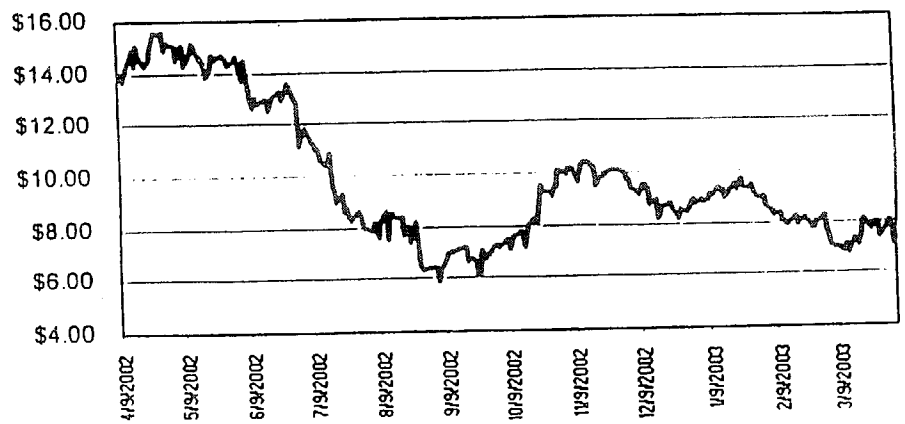
Market Trading & Other Stats

Price (04/04/03)	$6.80	Fiscal Year End	Sep.
LTM Hi/Low	$15.96/$5.78	Long-Term EPS Growth	19%
Equity Value	$228.6	Cash	$57.3
Enterprise Value	$205.0	Total Debt	$33.8

Financial Summary	CY'01	CY'02	CY'03	CY'04
Revenue	$193.2	$245.1	$271.5	n/a
Growth Rate	*(5%)*	*27%*	*11%*	*n/a*
License as % of Rev	*11%*	*16%*	*n/a*	*n/a*
Support as % of Rev	*42%*	*36%*	*n/a*	*n/a*
Gross Margin	n/a	38%	n/a	n/a
Pro Forma EBIT Mrgn	n/a	9%	n/a	n/a

Valuation Multiples	CY'02	CY'03	CY'04
EV / Revenue	0.8x	0.8x	n/a
P/E Ratio	15.5x	13.6x	n/a

LTM Stock Price Performance



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Note: SCTC preannounced worse-than-expected results on 4/4/03. Updated projections have not yet been reflected in this presentation.

SCT Corp. – Acquisition Rationale

Potential Upside

- Gain clear leader in higher education market with principal focus in U.S.
  * Bypass PSFT's efforts to gain credibility
- Significant vertical expertise on staff
- Oracle's global reach can help drive sales of SCT's products worldwide
- *Banner* product built on Oracle database (sublicense agreement expires 7/03)
- Built-in backlog has topped $500mm, but shortfall announced on 4/4/03
  * Has large recurring maintenance revs
- Runs an outsourced business whereby SCT personnel run client operations
- Accretive transaction unless there are substantial negative revenue synergies

Potential Drawbacks

- Currently run as low-margin services business
- Historically limited to 3,000 North American English-speaking institutions of higher education
  * Only recently started pursuing intl mkts
- Economic problems affecting IT spending by public schools (and privates as well)
  * State handouts evaporating and endowment values have plunged
- Company preannounced worse-than-expected results for Q2 (ending 3/31/03)
- Has made several acquisitions that it is still digesting (integration risk) and are boosting revenue growth (valuation risk)
  * Campus Pipeline for $41.6mm in 10/02
  * Applied Business in 2/02 and USA Education in 1/02 for undisclosed amts

SCT Corp. – Combination Analysis

- Assumes no adjustments to target entity's stand-alone financial model
- NOTE: financials have not been adjusted for earnings shortfall announced on 4/4/03

Oracle Multiples for Comparison:

LTM Revenue	5.9x	LTM P/E	27.8x
CY'03 Revenue	5.9x	CY'03 P/E	25.9x
CY'04 Revenue	5.4x	CY'04 P/E	23.7x

(in millions, except per share data)

		SCTC Purchase Price / Purchase Premium										
		$6.80	$7.48	$8.16	$8.84	$9.52	$10.20	$10.88	$11.56	$12.24	$12.92	$13.60
		0%	10%	20%	30%	40%	50%	60%	70%	80%	90%	100%
Market Value		$228.6	$251.5	$274.3	$297.3	$321.5	$345.6	$369.7	$393.8	$417.9	$443.0	$468.3
Enterprise Value		$205.0	$227.9	$250.8	$273.8	$297.9	$322.0	$346.1	$370.2	$394.3	$419.5	$444.8
Stand-Alone Financials:												
LTM Revenue	$245.1	LTM EBIT Margin			9.3%	LTM EPS		$0.44				
CY'03 Revenue	$271.5	CY'03 EBIT Margin			n/a	CY'03 EPS		$0.50				
CY'04 Revenue	n/a	CY'04 EBIT Margin			n/a	CY'04 EPS		n/a				
Multiples:												
LTM Revenue		0.8x	0.9x	1.0x	1.1x	1.2x	1.3x	1.4x	1.5x	1.6x	1.7x	1.8x
CY'03 Revenue		0.8x	0.8x	0.9x	1.0x	1.1x	1.2x	1.3x	1.4x	1.5x	1.5x	1.6x
CY'04 Revenue		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
LTM P/E		15.5x	17.0x	18.5x	20.1x	21.6x	23.2x	24.7x	26.3x	27.8x	29.4x	30.9x
CY'03 P/E		13.6x	15.0x	16.3x	17.7x	19.0x	20.4x	21.8x	23.1x	24.5x	25.8x	27.2x
CY'04 P/E		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
ORACLE IMPACT (1)												
Cash Acquisition:												
LTM EPS Accretion / (Dilution)		0.3%	0.2%	0.2%	0.1%	0.1%	0.0%	(0.0%)	(0.1%)	(0.1%)	(0.1%)	(0.2%)
B/E Required Pre-Tax Synergies		($9.9)	($8.3)	($6.6)	($5.0)	($3.3)	($1.6)	$0.0	$1.7	$3.4	$5.2	$7.0
Required EBIT Margin		*5.2%*	*5.9%*	*6.5%*	*7.2%*	*7.9%*	*8.6%*	*9.3%*	*10.0%*	*10.7%*	*11.4%*	*12.1%*
Stock Acquisition:												
LTM EPS Accretion / (Dilution)		0.1%	(0.0%)	(0.1%)	(0.1%)	(0.2%)	(0.3%)	(0.4%)	(0.4%)	(0.5%)	(0.6%)	(0.6%)
B/E Required Pre-Tax Synergies		($2.3)	$0.0	$2.4	$4.8	$7.3	$9.8	$12.2	$14.7	$17.2	$19.8	$22.4
Required EBIT Margin		*8.3%*	*9.3%*	*10.2%*	*11.2%*	*12.2%*	*13.2%*	*14.3%*	*15.3%*	*16.3%*	*17.3%*	*18.4%*

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Note: Combination analysis adds 1.5% of transaction-based expenses and 10.0% of cash acquisition-related charges.
(1) Financial impact based on Oracle fiscal year-ending May 31, 2004.

Appendix

List of Model Assumptions

- Combination analysis based on financials for the fiscal year ended May 31, 2004 (except in the case of SCTC where LTM numbers were used)
  - Stand-alone financials exclude non-cash compensation expenses, in-process R&D, amortization/impairment of goodwill and intangible assets
  - Projections provided by recent reports from individual analysts covering the companies (ORCL – Morgan Stanley (MS); BEAS – MS; BOBJ – Weisel Partners; DCTM – MS; SY – Weisel Partners; CERN – Weisel Partners; JDEC – MS; LWSN – Piper Jaffray; PSFT – MS; SCTC – Think Equity)
- Adds transaction fees and expenses of 1.5% of purchase price and cash acquisition-related charges of 10.0% of purchase price
- Interest rate on foregone cash balances estimated at 2.25%
- Adjustments to combined financials:
  - Amortization of intangibles based on 20% of net goodwill (purchase price > book value) over a 5-year period
  - Amortization of option compensation based on in-the-money values amortized over remaining life of options
  - Does not include adjustments to deferred revenue balance for support/maintenance revenue
- Combined pro forma pretax income results are taxed at Oracle's stand-alone cash tax rate
- Stock acquisition model assumes no material increase to Oracle's ongoing stock buyback program