

**ORACLE®**

# Oracle Cloud: Strategy

Thomas Kurian  
Executive Vice President  
Product Development





# Safe Harbor Statement

**"Safe Harbor" Statement:** Statements in this presentation relating to Oracle's future plans, expectations, beliefs, intentions and prospects are "forward-looking statements" and are subject to material risks and uncertainties. Many factors could affect our current expectations and our actual results, and could cause actual results to differ materially. We presently consider the following to be among the important factors that could cause actual results to differ materially from expectations: (1) Economic, political and market conditions, including the economic situation in Europe and slowing economic conditions in other parts of the world, can adversely affect our business, results of operations and financial condition, including our revenue growth and profitability, which in turn could adversely affect our stock price. (2) We may fail to achieve our financial forecasts due to such factors as delays or size reductions in transactions, fewer large transactions in a particular quarter, unanticipated fluctuations in currency exchange rates, delays in delivery of new products or releases or a decline in our renewal rates for support contracts. (3) Our hardware systems revenues and profitability could decline, and we may fail to achieve our financial forecasts with respect to this business. (4) We have an active acquisition program and our acquisitions may not be successful, may involve unanticipated costs or other integration issues or may disrupt our existing operations. (5) Our international sales and operations subject us to additional risks that can adversely affect our operating results, including risks relating to foreign currency gains and losses. (6) Our periodic workforce restructurings, including reorganizations of our sales force, can be disruptive. (7) If we are unable to develop new or sufficiently differentiated products and services, or to enhance and improve our products and support services in a timely manner or to position and/or price our products and services to meet market demand, customers may not buy new software licenses, cloud software subscriptions or hardware systems products or purchase or renew support contracts. A detailed discussion of these factors and other risks that affect our business is contained in our SEC filings, including our most recent reports on Form 10-K and Form 10-Q, particularly under the heading "Risk Factors." Copies of these filings are available online from the SEC or by contacting Oracle Corporation's Investor Relations Department at (650) 506-4073 or by clicking on SEC Filings on Oracle's Investor Relations website at <http://www.oracle.com/investor>. All information set forth in this presentation is current as of April 29, 2014. Oracle undertakes no duty to update any statement in light of new information or future events.

# ■ Oracle Cloud: **Strategy**

Bring leading Infrastructure,  
Technology, Business  
Applications, and Information to  
customers and partners  
anywhere in the World through  
the Oracle Cloud



# Oracle Cloud

**Information-as-a-Service**

**Software-as-a-Service**

**Platform-as-a-Service**

**Infrastructure-as-a-Service**





# Software-as-a-Service

Enterprise Resource  
Planning

Enterprise  
Performance  
Management

Human Capital  
Management

Talent Management

Marketing & Sales

Commerce, CPQ, &  
Order Capture

Customer Service &  
Support

Supply Chain  
Management

Social Relationship Management

# SaaS: Enterprise Resource Planning



Financials



Procurement



Project & Portfolio Management



Enterprise Performance Management



Order Capture & Revenue Collection



Strategic Sourcing



Project & Portfolio Management



Governance Risk & Compliance

Social Network

Mobile  
(eg. expenses)

Financial  
Reporting Center

Statutory  
Localizations

Integrations

# SaaS: Human Capital Management



Social Network

Mobile

Predictive  
Analytics

Statutory  
Localizations

Integrations

ORACLE

# SaaS: Customer Experience

**Content Preparation & Syndication**



**Multi-Channel Marketing**



**Search, Display & Mobile Advertising**



**Sales Force Automation**



**Configure Price Quote**



**Sales Performance Management**



**Commerce**



**Customer Service**



**Social Network**

**Mobile**

**Predictive Analytics**

**Common Master Data**

**Integrations**

# SaaS: Social Relationship Management



Workflow & Business Process

Data Management

Social Graph Discovery & Analytics

Integrations

# SaaS: ERP Cloud Examples



ORACLE

# SaaS: HCM Cloud Examples



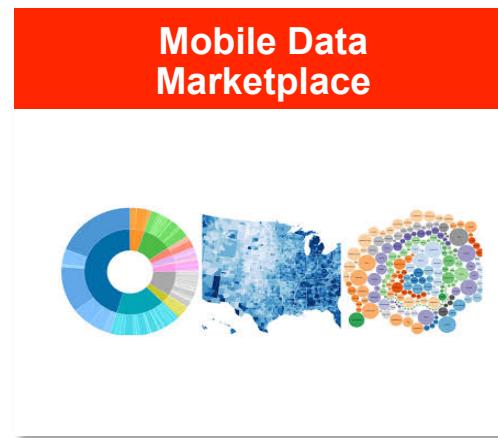
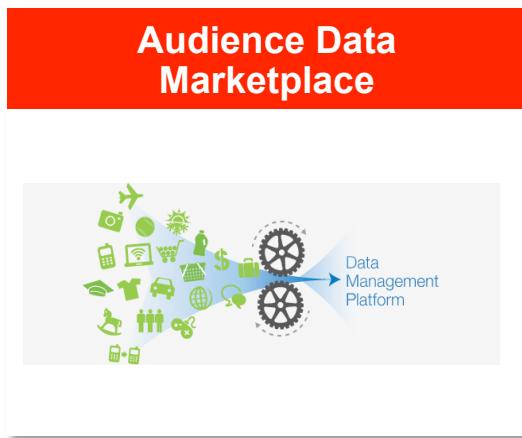
ORACLE

# SaaS: CX Cloud Examples



ORACLE®

# Information-as-a-Service



## Data Management Platform

Data Aggregation

Data Enrichment

Analytic KPIs &  
Dashboards

Predictive  
Analytics

Source  
Integrations

Information Enrichment & Activation from Applications

ORACLE



# Information as a Service: Examples



WPP



T-Mobile



THE WALL STREET JOURNAL.



Time Inc.



U.S. Cellular



invite media

millennialmedia<sup>®</sup>  
the mobile advertising & data platform

Optimizely

TruSignal

DataXU

NORDSTROM

Calvin Klein

rocketfuel

Countrywide

PUBLICIS GROUPE

ORACLE



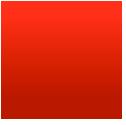
## Competitive Differentiators

- **Only Cloud integrating ERP, HCM, CRM, EPM, GRC, SCM**
  - Delivers integrated business processes and unified view of data
  - Unified Social, Mobile, Business Analytics, and Big Data offerings across Cloud
  - Enriched with Information-as-a-Service which differentiates application offerings
- **Deep, Scalable, Best of Breed ERP Cloud**
  - Deep Functionality scalable to more than 200 Million Financials Transactions/Hour
- **Best of Breed, Complete, and Integrated HCM Cloud**
  - Only solution unifying Core HCM, Payroll, Recruiting & Talent Management
  - Deep Functionality specific to industries, countries, & multi-national organizations
- **Best of Breed, Complete and Integrated B2C & B2B CX Cloud**
  - Unified B2C: Only solution Marketing->Social->e-Commerce->CPQ->Service
  - Unified B2B: Only solution Marketing->Social->Sales->CPQ & Order Capture ->Service
- **Seamless co-existence with Oracle's On-Premise Applications**
  - Enables Uptake of cloud offerings more rapidly and Oracle to reach more customers

# Competitive Differentiators

Offering	SFDC	Workday	SAP	Oracle
Planning & Budgeting				✓
Financials		✓		✓
Procurement		✓	✓	✓
Sourcing			✓	✓
Project & Portfolio Management				✓
Governance-Risk-Compliance				✓
Human Capital Management		✓		✓
Payroll		✓		✓
Recruiting		✓	✓	✓
Talent Management			✓	✓
Marketing	✓		✓	✓
Sales Force Automation	✓		✓	✓
Configure Price Quote				✓
E-Commerce				✓
Customer Service	✓			✓
Social Relationship Management	✓			✓
Social Network	✓			✓
Supply Chain Management				✓
Information as a Service (Data Management Platform)				✓

ORACLE



# Key Market Opportunities

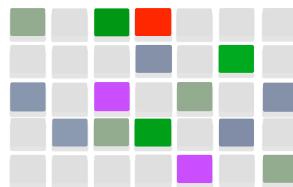


- **Oracle Installed Base**
  - Attach New SaaS Offerings to existing On-Premise Applications
  - Move New Business Units or Geographies to SaaS without disrupting existing On-Premise Applications
  - Migrate installed base customers to Oracle's SaaS Applications
- **Net New Customers**
  - New mid-market customers wanting pure SaaS offerings
  - New customers replacing legacy Applications with Oracle SaaS
  - Migrate Enterprise customers from competitors to Oracle SaaS
- **Highly Differentiated Offerings**
  - Best of breed Pieces – From Mid-Market to Enterprise
  - Integrated offerings – Streamlining complete Business Flows
  - With integrated PaaS – for consistent extensions to Applications

# Infrastructure-as-a-Service



**Storage**  
Object Storage



**Compute**  
Elastic Compute



**Secure Identity**  
Identity Administration



**Queues**  
Lightweight Queues



**Notifications**  
Mail, Push, Messaging

# IaaS: Elastic Storage

## Elastic Storage Service



- Store & Manage Digital Content
- Java & REST API (Openstack SWIFT)
- Access from Cloud and On-Premise
- Performance: Predictable I/O Rates
- High Availability: Triple Mirror Redundant
- Secure and Granular Access Control
- Use Cases: Backup & Archive
- Differentiation: Quality of Service with Exadata

# IaaS: Elastic Compute

## Elastic Storage Service



- Elastic Compute Capacity & Block Storage
- Flexible Configuration with orchestrations
- Standard, CPU Intensive, Memory Intensive
- High Availability: Local, Remote
- Easy to Manage: Cloud Monitor, REST API
- Secure: Isolation via Security Lists
- Elasticity: Elastic Compute & Network
- Differentiation: Predictable Performance & QOS with Oracle's Engineered Systems

# IaaS: Messaging & Identity

## Messaging



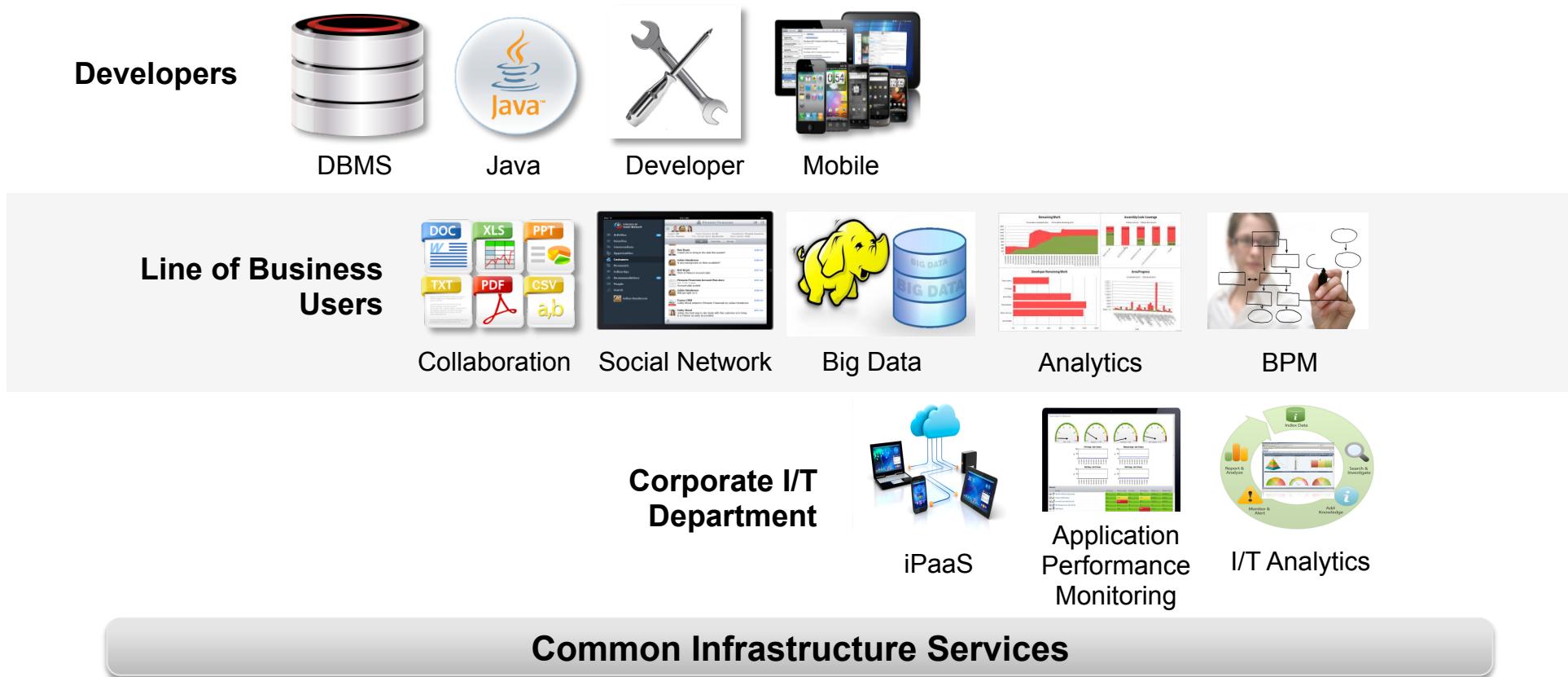
- Guaranteed Delivery Messaging
- Cloud, On-Premise, Cloud-Cloud
- JMS, Web Sockets, REST API

## Identity



- Centralized Identity Service
- Web & Mobile Single Sign-On
- User, Self-Service Provisioning
- 60 Million+ Users; 10000's Txns/Second

# Platform-as-a-Service



# PaaS: Database-as-a-Service

## Database as a Service



- Full-featured: 11gR2 or 12c; DB Options
- Secure: Encryption - Network, DB, Backup
- Highly Available: Data Guard, RAC Cluster
- Managed: Oracle Backs Up, Patches, Upgrades
- All DB Tools: SQL Loader, Data Pump, JDBC, OCI, Enterprise Manager, Any Third Party Tools
- Full portability: On-premise to Cloud

## PaaS: Java-as-a-Service

### Java as a Service



- Full-Featured: WebLogic 11c or 12c; All Options
- Secure: Encryption - Network, App Server, Files
- Scalable: Elastic Scale Up or Scale Out
- Highly Available: Clustered
- Managed: Oracle Backs Up, Patches, Upgrades
- All Java Tools: Eclipse, NetBeans, Enterprise Manager, Any Third Party Java Tool
- Full portability: On-premise to Cloud

# PaaS: Developer and Mobile

## Developer



- Agile Development Teams
- GIT, Bugzilla, Maven, JIRA, Wiki
- Continuous Build & Deployment
- Facilitates Developer Collaboration

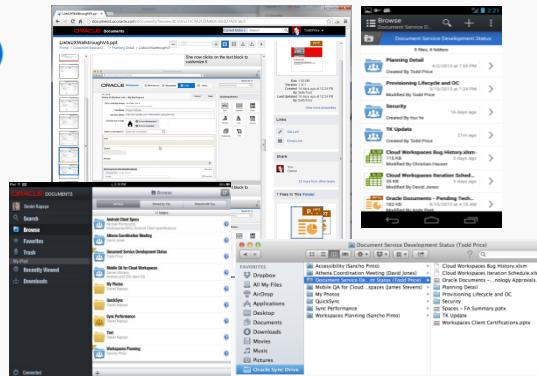
## Mobile



- Cross-Platform Mobile Apps
- Mobilize Oracle Cloud Applications
- Mobilize Enterprise Assets
- Push and Notifications

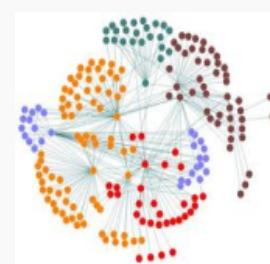
# PaaS: Documents & Social Network

## Documents



- Document Sharing, Team Workspaces
- Mobile, Web, Desktop, Offline access
- File and Device Synchronization

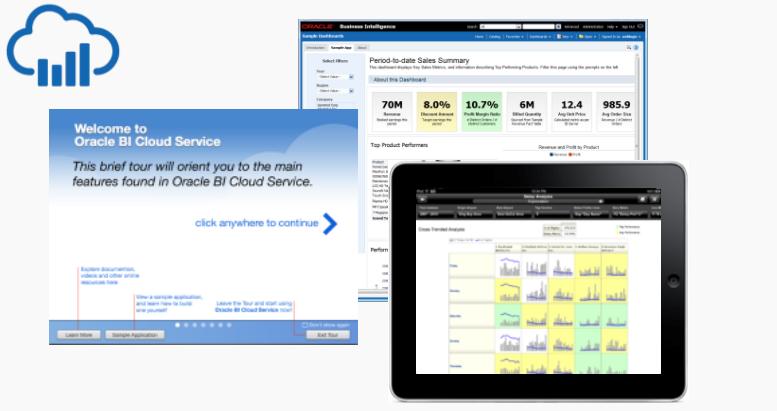
## Social Network



- Social Platform for Enterprise, Customer, Partner Interactions
- People & Application Feeds
- Conversations & Communities

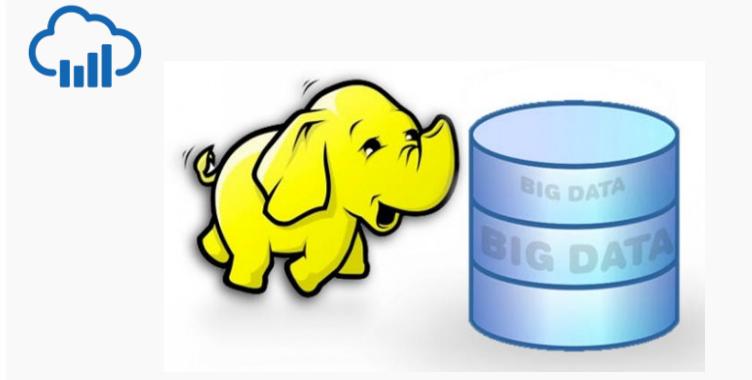
# PaaS: Business Intelligence & Big Data

## Business Intelligence



- Self-service Data Load and Model KPIs
- Build Reports and Dashboards
- Web, Mobile, Office Clients

## Big Data (Data to Insight)



- Elastic Map Reduce + NoSQL Store
- Scale Compute & Scale Data Processing
- From Raw Data to Semantically Prepared Data for Business Intelligence

# PaaS: Integration & BPM

## Integration-PaaS



## Business Process Management



- Cloud-Cloud, Cloud-OnPremise  
OnPremise to OnPremise
- Virtualize & Integrate: Service Bus
- Orchestrate, Transform, Monitor

- Design, Deploy, Optimize Processes
- Forms, Actions, Collaboration
- Events, Rules, Analytics
- Packaged Process Templates

# PaaS: Systems Monitoring & I/T Analytics

## Systems Monitoring



Applications

DB, Middleware

Virtual Compute

Hardware

## I/T Analytics

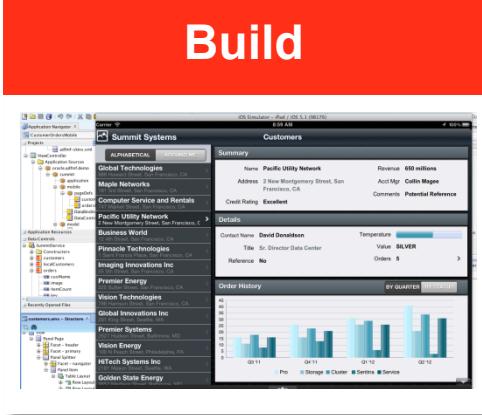


- Application Performance Monitoring
- Real User Monitoring – Web, Mobile
- Server Monitoring
- Comparison to CMDB

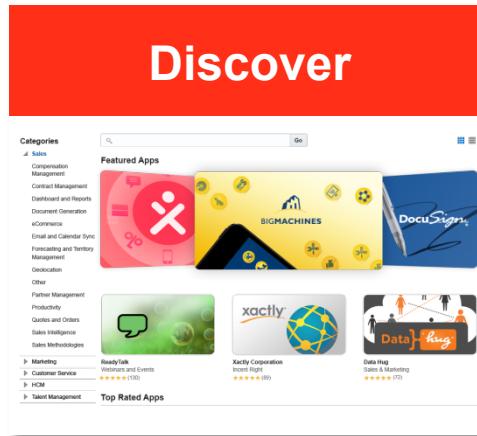
- Load Any Data: Log, Structure, Metrics. ..
- Correlate to identify Complex Events
- Monitor & Alert in Real Time
- Predict & Plan – eg. Capacity Planning

# Oracle Cloud: Marketplace

Build



Discover



Consume



- Large existing Oracle Partner Eco-system
- Extend, Integrate with Oracle SaaS

- 100s of Apps from Oracle Ecosystem
- Read, Review and Engage

- Evaluate
- Buy
- Deploy Easily

ORACLE

# PaaS and IaaS: Examples

Zamilindustrial

faurecia

Carnival®

EMPRESAS POLAR

windstream

HILL+KNOWLTON

enkitec

Fitch Ratings

Mu Dynamics

accenture

CampusIT

EMERSON  
Network Power

Deloitte.



TEMENOS  
The Banking Software Company

Badgeville®

MT AG

serene  
corporation

D

Sullivan  
Petroleum Company

O  
CIHI  
ICIS

rtbf.be

ORDINA

SIEMENS

Settle Our  
Estate



GLOBALFOUNDRIES®

donnelly  
Your best answer by design

ORACLE



# Competitive Differentiators

- **Only Cloud with broadest, standards-based Oracle Software**
  - Which are widely used & accepted standards within companies
- **Broad & integrated PaaS for Developers, LOB, IT Audiences**
  - LOB: Only Public Cloud integrating Documents, Analytics, Social Network, Big Data
  - Developers: Only Cloud integrating Source Control, App Server, DBMS, Mobile, SOA, BPM
- **Highly Differentiated PaaS & IaaS Services**
  - Only Cloud offering Real Application Clusters, Data Guard, Exadata, Exalogic
- **Seamless Integration across PaaS & SaaS Applications**
  - Use Oracle PaaS to extend Oracle's SaaS Applications
  - Enables Oracle's PaaS to be rapidly sold into Oracle's SaaS installed base
- **Seamless Integration from On-Premise to Oracle's Cloud**
  - Customer's have flexibility to transparently move workloads between environments
  - Enables companies to rapidly adopt PaaS for Test-Dev, BackUp & other patterns

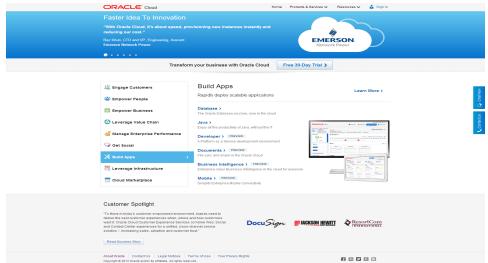


# Key Market Opportunities



- **Oracle Installed Base**
  - Test-Development Environments for Corporate I/T Projects
  - Production Environments for Temporary or Time-Critical Projects
  - Environments to experiment with New DBMS & Fusion MW Options
  - Test-Development or Production Environments for Departmental Projects (eg. Data Marts, Web Sites, Portals)
- **Net New Customers**
  - Customers wanting Oracle Software on subscription price
- **SaaS**
  - Customers wanting a PaaS to extend their SaaS Applications
- **Highly Differentiated Offerings**
  - From other Cloud IaaS, PaaS, SaaS Vendors
  - Ensures that we can maintain pricing differentiation

# Oracle Cloud: Operations



Fleet & Tenant  
Management System

Service Delivery  
Infrastructure

SaaS, PaaS, IaaS

Common Infrastructure  
(Servers, Storage, Network,  
Facilities)

## ▪ Highly Efficient Operations

- Single Cloud Portal for Users
- Self-Service Request Processing
- Lights Out Automated Provisioning
- Lights Out Patching, Upgrades, Operations
- Consolidated Data Centers lowers Facilities Costs
- Improves Margins as Cloud Scales

## ▪ Standardized Physical Infrastructure

- Network, Servers, Storage, Backup, Security
- Automated Cloud-Scale Fleet Management System
- Economies of Scale in Sourcing

## ▪ Best-in-Class Cost of Operations

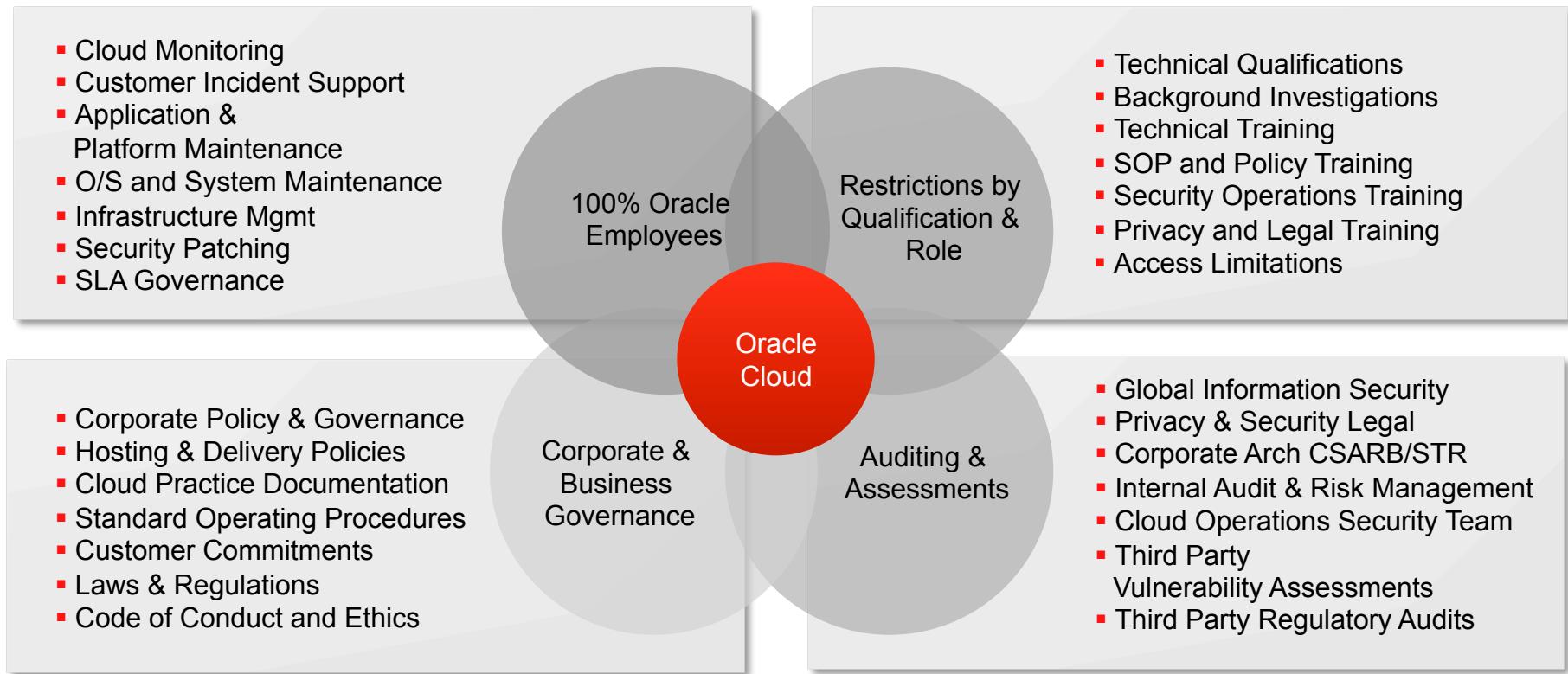


# Oracle Cloud: Operations



- **19 State of the Art ‘Tier IV Class’ Facilities**
  - Baseline 99.999% Availability of Power/Cooling
  - 24X7 Active Monitoring and Support
  - Carrier Neutral – Best in Class Peering
- **Highly Efficient Dedicated Operations Team**
  - 7x24 Operations with Global Network Operations Center
  - Dedicated Security & Compliance management staff
  - Highly Automated: Zero Touch Provisioning, Patching, Upgrades ensures Operational Costs are best in class
- **Rigorous Operational Practices**
  - 100% of activities by Oracle employees in each geography
  - Government Security Clearance

# Oracle Cloud: Operating Governance



# Oracle Cloud: Regulatory Compliance



- Strong Regulatory Posture
  - Leading the market
  - Opens specific markets in public sector, defense, health care, and commercial markets
- Baseline controls framework
  - ISO 27002 Certified
- Baseline audit/reporting standard
  - SSAE16 SOC1 / SOC2
  - 6 month cadence
- Enhanced Certification Portfolio
  - PCI, HIPAA, ISO certification, Others

# Oracle Cloud: Certified & Accredited Offerings

	Commercial Cloud	PCI Certified Cloud	UK Government Cloud	US Government Cloud	US DoD Cloud
Class IV Data Centers	✓	✓	✓	✓	✓
Logically Isolated Customer Instances and Data	✓	✓	✓	✓	✓
Cloud – Automated Infrastructure, Platform & Application Mgmt	✓	✓	✓	✓	✓
Cloud Elasticity – Scalability On Demand	✓	✓	✓	✓	✓
Oracle Cloud Portal – Operational Transparency	✓	✓	✓	✓	✓
DR – Data Redundancy, Backups & Remote Hot Site	✓	✓	✓	✓	✓
Monitored 7x24x365 by NOC & Oracle Operations (Cleared Staff)	✓	✓	✓	✓	✓
Oracle Cloud Dedicated Security Team (Cleared Staff)	✓	✓	✓	✓	✓
Professional Services Available (Cleared Staff)	✓	✓	✓	✓	✓
DISA STIG Hardened		✓	✓	✓	✓
PCI DSS Certification		✓		option	option
Security Documentation Set			✓	✓	✓
Government Community Cloud			✓	✓	✓
Government (*.gov.uk *.gov *.mil) Address Spaces Available			✓	✓	✓
ISO 27001 Certification			✓		
UK Pan Government IL2 & IL3 Accreditation			✓		
FedRAMP Moderate Authorization				✓	
ECSB DoD Addendum CUI Level 4 Authorization					✓

## Oracle Cloud: Summary

**12,000+** Devices  
**270 PB** Storage



**19** Data Centers

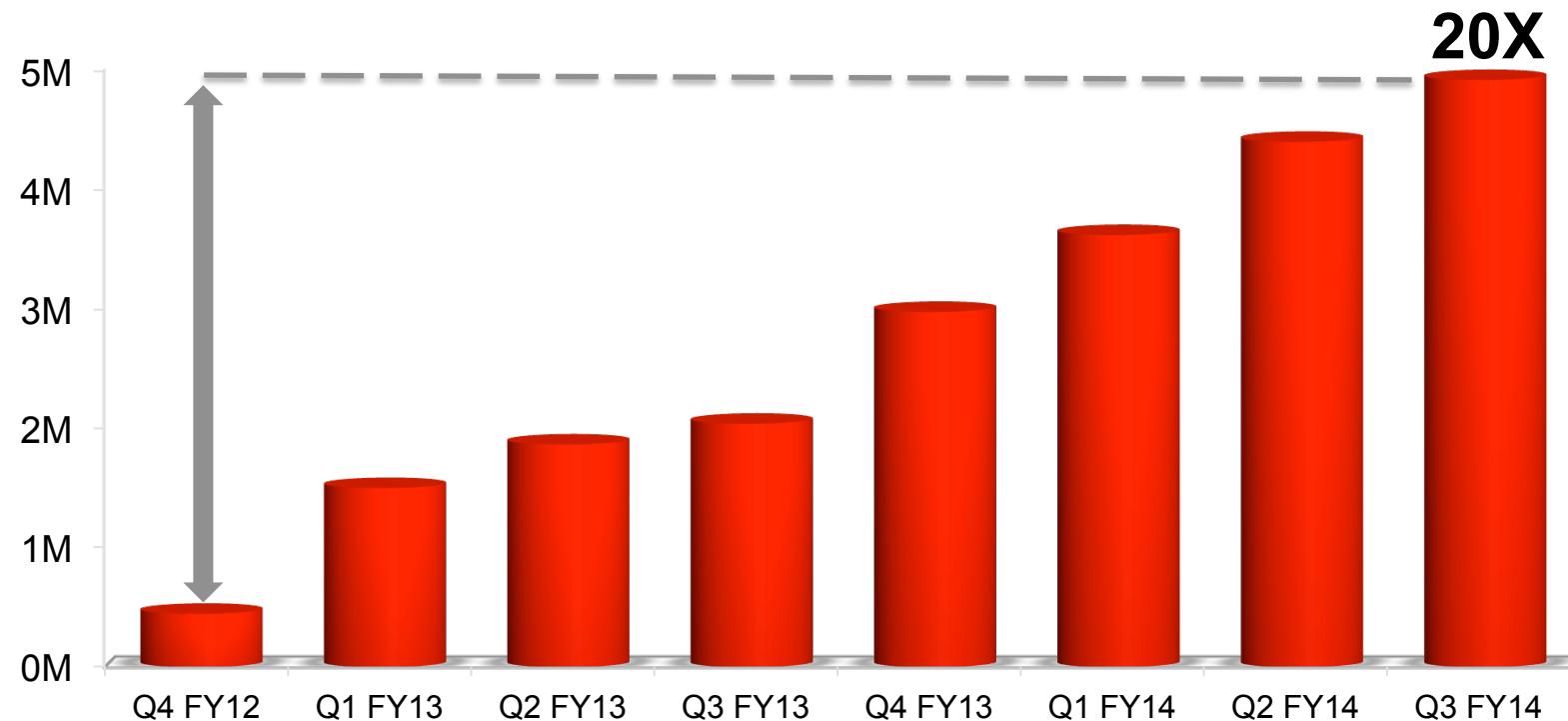


**28 Million+** Active Users/Day  
**23 Billion+** Transactions/Day

ORACLE  
ORACLE

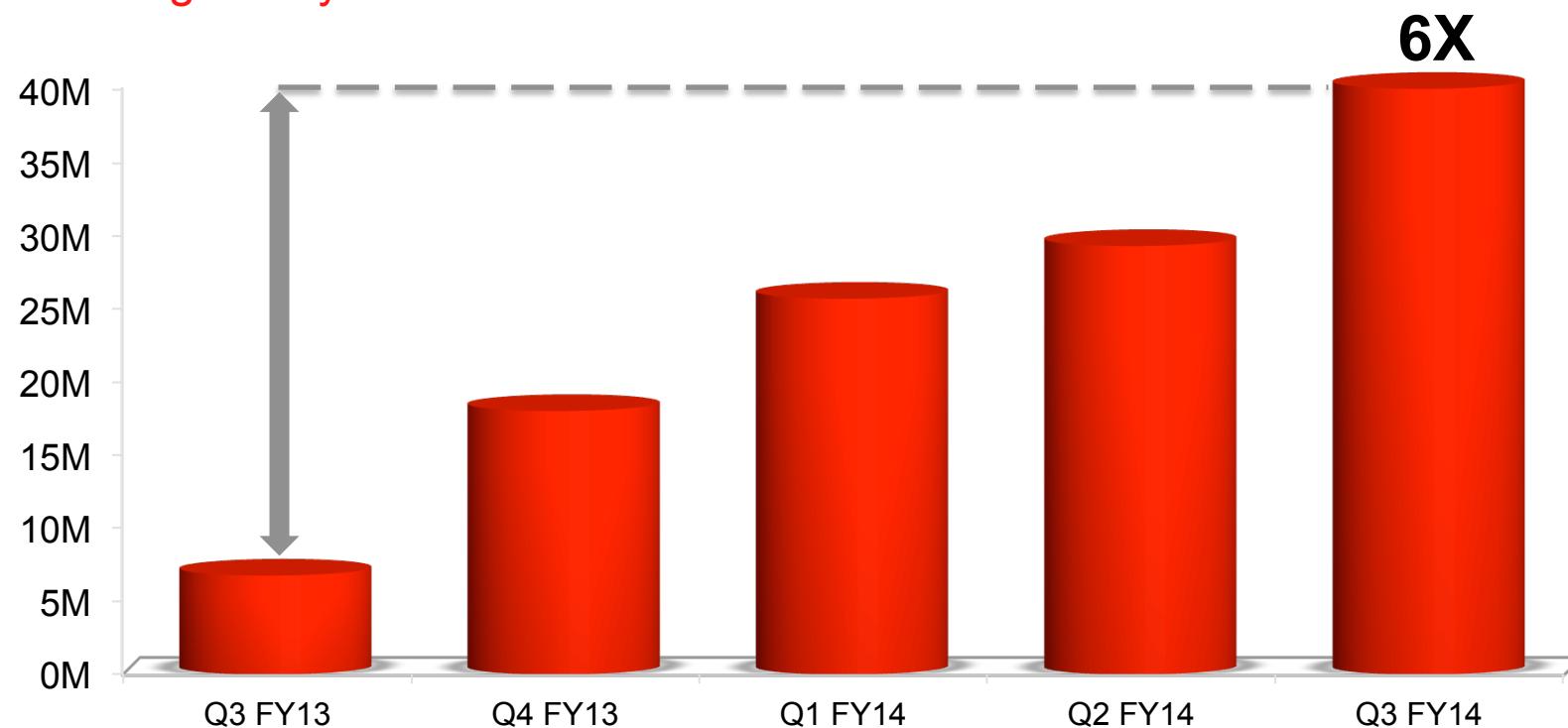
# Oracle Cloud: Fusion SaaS Strong Growth

Total Number of Subscribed Users



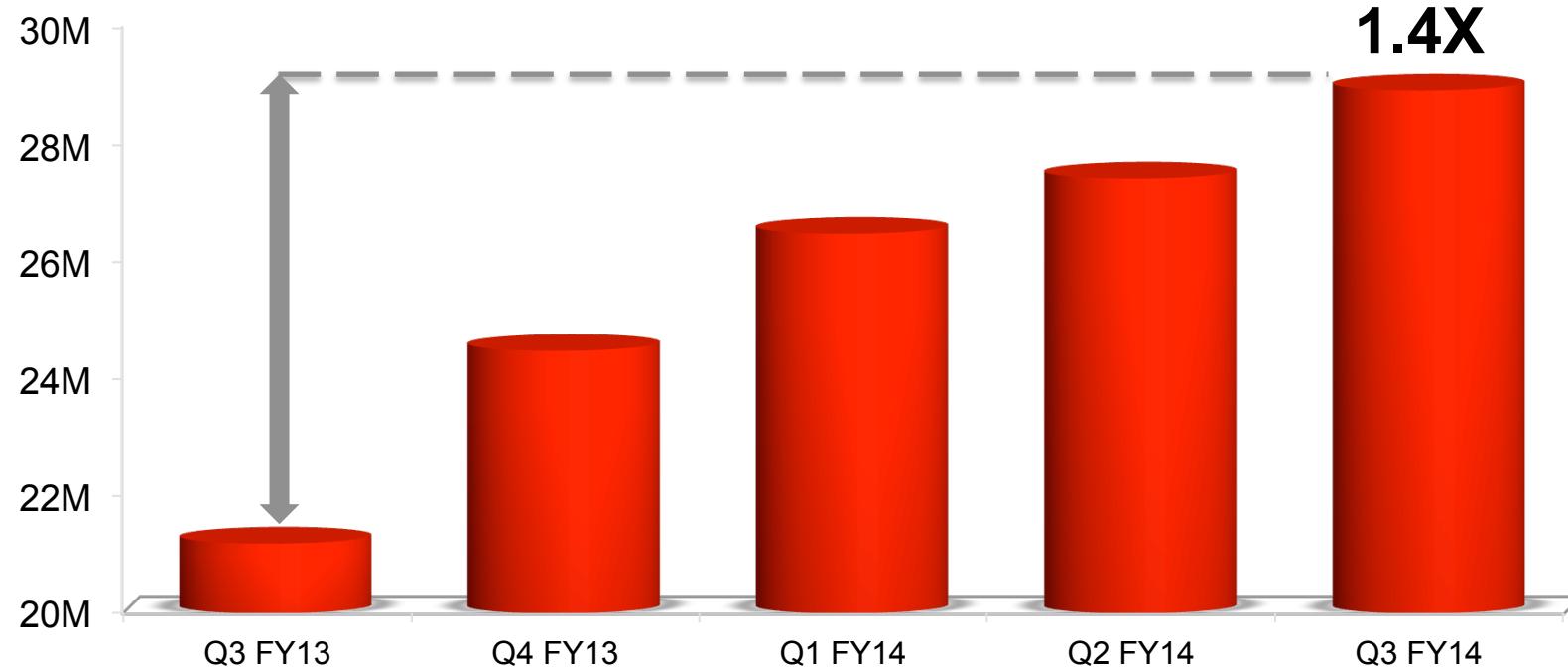
# Oracle Cloud: Fusion SaaS Strong Growth

Average Daily Business Transactions in Millions



## Oracle Cloud: Strong Growth

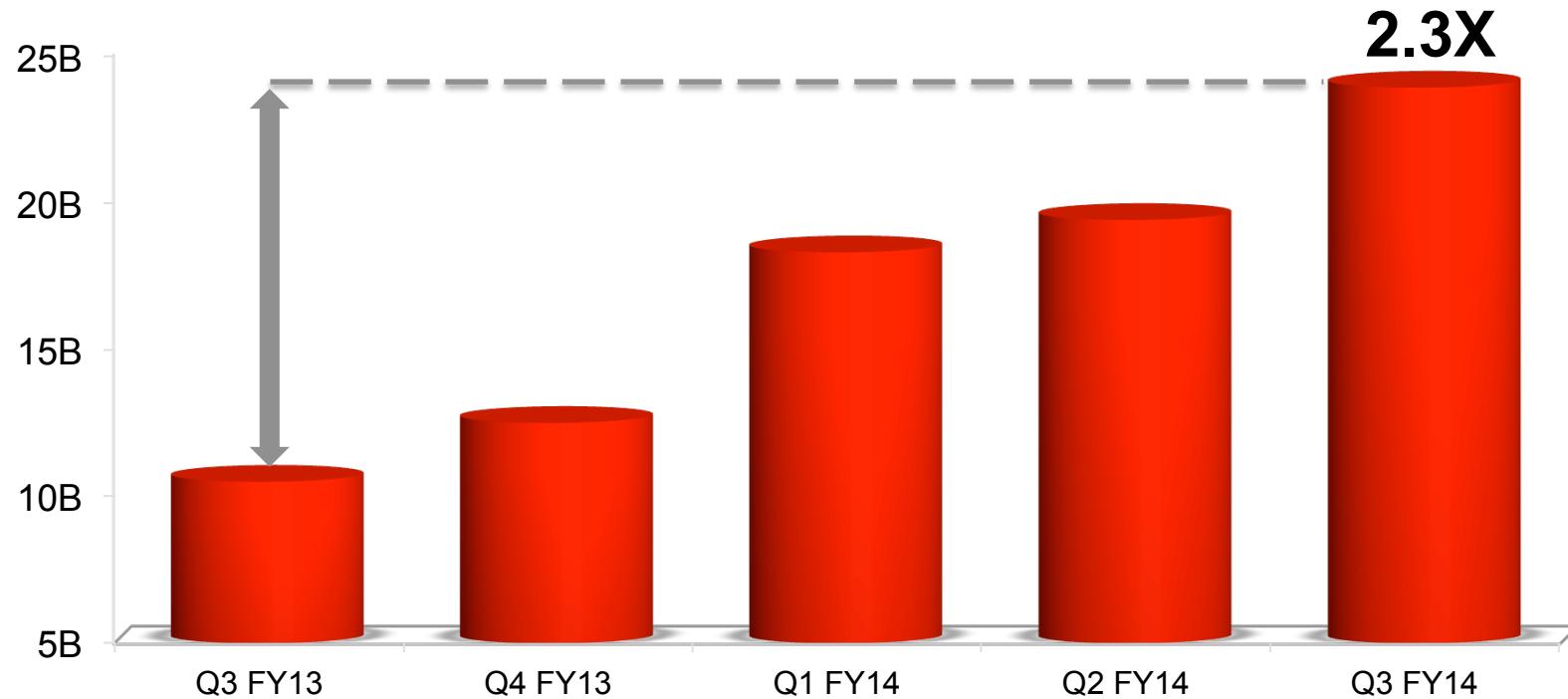
Average Number of Daily Users in Millions



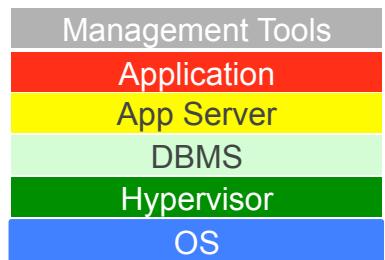


## Oracle Cloud: Strong Growth

Average Daily Transactions in Billions



# Oracle Cloud: Comparison



## Lower Cost of Administrations

- Manual Operations eliminated via Software
- Automated Lights out Operations
- Cloud Scale Global Fleet Management Software
- Cloud Scale Global Support Organization



## Lower Cost of Software

- Unified Dense, Vertically Integrated Stack
- Exploits Oracle Multi-Tenant Software
- No expensive Third Party Software



## Lower Cost of Infrastructure

- Standard Engineered System Configuration
- More Efficient Sourcing including Facilities
- Much more efficient Utilization

= Lower Cost of Ownership for Customers  
= Highly Differentiated Cloud Service

ORACLE  
ORACLE

# ■ Oracle Cloud: **Strategy**

Bring leading Infrastructure,  
Technology, Business  
Applications, and Information to  
customers and partners  
anywhere in the World through  
the Oracle Cloud



**ORACLE®**