

Overview and Frequently Asked Questions

■ OVERVIEW

On April 20, 2009, Oracle announced that it has agreed to acquire Sun Microsystems. The transaction is subject to regulatory approval and until such time as the transaction closes, the companies remain separate and independent companies and it is business as usual.

Since the announcement, Oracle has made many public statements to reiterate its commitment to Sun's business, including continued focus on hardware and software technologies such as SPARC, Solaris, and Java. Customers are expected to see increased investment from Oracle after the transaction closes to ensure continued innovation and success for customers of both companies. Oracle expects to deliver the following benefits after the transaction closes:

Offering complete, open, and integrated products that provide flexibility and choice to our customers across their IT infrastructure

Since its founding in 1977, Oracle has adopted, embraced, developed, supported, and contributed to products built on open standards to offer our customers flexibility and choice, and Oracle will remain committed to this approach after the transaction closes. Our goal has always been to develop technologies that help customers manage information, streamline business processes, and reduce the costs and complexity of managing their IT infrastructure. Initially, Oracle delivered database software, followed by packaged enterprise applications and middleware to provide customers with a more complete, open, and integrated software solution. Now, with the addition of Sun's servers, storage, SPARC, and software technologies such as Solaris and Java, Oracle's portfolio evolves to provide the industry's most complete, full-scale infrastructure solutions. Integrated with our software, these systems are expected to improve the overall security and reliability of our customers' IT environments and provide unprecedented performance levels across the entire technology stack.

Oracle's commitment to open standards provides its customers with flexibility and choice. One of the great strengths of Oracle products is platform portability; our products run with high performance and reliability on many hardware and operating system platforms. Oracle plans to continue to support and enhance our strong industry partnerships to ensure ongoing support for the platforms that provide our joint customers with the investment protection and choices they require.

Delivering increased investment and innovation in Java

Oracle plans to accelerate investment in the Java platform for the benefit of customers and the Java community. Java is one of the computer industry's best-known brands and the Java platform is one of the industry's most widely deployed technologies. Oracle has been a leader in the Java community since the inception of the Java programming language and already has the world's largest investment in the Java platform, which provides the foundation for its Oracle Fusion Middleware products and its next-generation enterprise applications.

Oracle plans to not only broaden and accelerate its own investment in the Java platform, but also plans to increase the commitment to the community that helps make Java an ubiquitous, innovative platform unified around open standards.

Delivering increased value to customers through superior and synergistic hardware and software engineering

Today, Oracle supports more than 345,000 customers in more than 145 countries as a leader in delivering database, middleware, applications, and infrastructure software. With the acquisition of Sun, Oracle plans to transform to a systems company by engineering and delivering integrated systems – from applications to disk – where all the pieces fit and work together, so customers do not have to do it themselves.

Oracle plans to accelerate its R&D investments to optimize technologies across the technology stack and leverage development innovations that can only be delivered by a company that provides full stack, hardware and software solutions. These innovations are expected to deliver significant customer benefits including reducing the complexity of buying, implementing, and managing systems. Customers will benefit as their system performance, reliability, and security go up while systems integration and management costs go down.

Providing world-class customer support and services

Oracle's network of more than 8,000 support professionals operate out of 18 global support centers to provide 24x7 support for customers in 29 different languages for complete support coverage across Oracle's product lines. And, after the transaction closes, this support will extend from applications to disk. Sun's support delivery team will be joining the Oracle team to ensure continuity in how support is provided to Sun customers.

Oracle continues to lead the industry in the move from reactive to proactive support. My Oracle Support, Oracle's next generation support platform, uses personalized and proactive support capabilities to resolve issues faster and avoid future problems. This integrated support platform will extend to provide proactive support to Sun customers and products. Like Sun, Oracle is one of only a handful of companies in the world that has earned the Service and Support Professional Association STAR Awards Hall of Fame Life Time Achievement Award for excellence in customer service. Sun customers can be assured that Oracle will continue to improve upon the high level of service that they have come to expect.

We believe that there will be significant benefits to customers for having one vendor to contact across the stack. After the transaction closes, Sun customers will go to one source to solve all issues and proactively avoid future problems. This helps lower risks and the time spent identifying the responsible party for resolution.

In addition, Sun customers will benefit from the ease of using My Oracle Support. This online support portal provides customers complete knowledgebase access and a view to all of their service requests and available patches from a single source.

SUN CUSTOMERS Oracle Plans To:

1. Spend more money developing SPARC than Sun does now;
2. Spend more money developing Solaris than Sun does now;
3. Spend more money developing MySQL than Sun does now;
4. Dramatically improve Sun's system performance by tightly integrating Oracle software with Sun hardware;
5. Have more than twice as many hardware specialists selling and servicing SPARC/Solaris systems than Sun does now.

"We're in it to win it. IBM, we're looking forward to competing with you in the hardware business."

– Larry Ellison



ORACLE

Oracle's acquisition of Sun is subject to certain closing conditions. Please refer to Oracle's SEC filings for additional risks related to the proposed acquisition of Sun.

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■ FREQUENTLY ASKED QUESTIONS

Is Oracle keeping Sun's hardware business?

Yes. One of Oracle's primary goals in this acquisition is to expand its leadership in enterprise software to include the systems on which customers deploy their software. As a complete systems vendor, Oracle will be able to use its expertise and products to address a much broader array of customer problems. Enhanced development of Sun's hardware product line as well as our sales and service capabilities is core to this strategy.

The modern datacenter is evolving from distinct uses of separate computing, networking, and storage products to creating much more integrated solutions. This evolution is being driven by the superior performance, manageability, and cost savings that is enabled by more closely combining the engineering of these components. Sun's hardware business is unique in the industry in that they have core assets and R&D capabilities in processors, operating systems, servers, networking, and storage. After the

transaction closes, Oracle will be the only company that brings together all of these areas with the leading enterprise software offerings. This gives Oracle the R&D capability to build the next generation of systems, as well as the business opportunity for growth.

In addition to offering a complete system to its customers, Oracle plans to continue to build leading hardware and software system components using technologies based on open standards, giving customers choice. Customers who choose the complete system will be offered one, and customers who prefer to put together their own systems will have the option to procure and integrate leading software and hardware components from Oracle into their configuration to meet their specific needs.

What are Oracle's plans for Solaris?

Oracle plans to spend more money developing Solaris than Sun does now. The industry leading capabilities of the Solaris operating system make it the leader in performance, scalability, reliability, and security – all of which are core requirements for our customers. Oracle plans to enhance our investment in Solaris to push core technologies to the next level as quickly as possible. Today there are more applications available on Solaris than any other operating system in the world. In addition, the combination of Oracle and Sun's engineering teams in database and operating system open up a new set of opportunities to create exciting innovations for customers with respect to performance, operational efficiency, security, and cost of ownership.

What are Oracle's plans for Linux?

Oracle remains fully committed to the Linux operating system and plans to continue to develop and enhance Linux, provide technical leadership and contributions back to the Linux community, and deliver world-class Linux support to our customers and partners.

We are excited about having both the most popular Unix operating system and the leading Linux offering under our development umbrella. Between these two operating systems, customers can manage any critical application on modern systems. We expect that our customers will see the management of their environments that run both Linux and Solaris simplified. Additionally, customers using both Solaris and Linux will be able to rely on one vendor, Oracle, for the support of their entire stack – applications to disk.

What are Oracle's plans for SPARC?

Oracle plans to spend more money developing SPARC than Sun does now. SPARC is the world volume leader for mission critical, highly scalable computing. Over the past decade, Sun's investments in multi-thread and multi-core technologies have extended the proven pedigree of SPARC from scalability and reliability to include leadership in energy efficiency, a critical requirement for customers worldwide today. We plan to enhance our investment in the SPARC processor and in SPARC systems, combined with software engineering, to continue to create leadership in highly energy efficient, scalable, and mission critical systems.

How do Sun systems running Oracle currently rank in terms of performance?

Oracle and Sun have been partners for more than twenty years. The companies recently ran a transaction processing benchmark using a combination of Oracle technology and Sun's latest server, storage, and flash technologies. The Oracle Database on Sun SPARC runs 7.7 million transactions per minute.¹ This is now the new TPC-C world record, beating IBM's fastest computer which runs 6.1 million transactions per minute.² Additionally, the Oracle and Sun combination yielded 25% more throughput than the IBM system.

What are Oracle's plans for x86?

The extremely broad and volume use of x86 makes it an important building block for servers as well as other parts of the combined Oracle and Sun portfolio. We plan to continue to engineer server and appliance products based on x86. In addition, x86 is of course a key element of both Sun and Oracle's software portfolio, with Solaris and Oracle Enterprise Linux as well as all of the software of both companies robustly sold and supported in the x86 marketplace.

What are Oracle's plans for storage?

Storage is an extremely critical component of our customers' information management requirements. Because of the nature of the database and applications business, Oracle has been investing for many years in storage related software and clustering technologies. Sun brings end-to-end storage solutions that include leadership in software and hardware, integration of flash, leadership in long-term information management and retention, as well as a fully unified storage and disk portfolio. We plan to enhance investments in Sun's storage core areas, with a focus on integration, performance, manageability, and security.

What are Oracle's plans for networking?


High performance networking has become a key element of building very efficient systems today. Sun's products and investments in silicon, switching, and software in networking are core to our plans for developing clusters of servers and storage that deliver the highest possible performance and manageability. We plan to enhance investments in this area, particularly in software, so that we can deliver these integrated systems.

Is there a Sun Oracle Database Machine?

Yes. On September 15, 2009, Larry Ellison announced Oracle Exadata V2, the first OLTP Database Machine which combines software from Oracle and hardware from Sun. The Sun Oracle Database Machine combines industry-standard Sun hardware, Oracle Database 11g Release 2, and Oracle Exadata Storage Server Software to create a faster database machine. It's a completely scalable and fault tolerant package for all data management, including data warehousing and transaction processing applications.

Announcing


The First OLTP Database Machine



Exadata v2

Hardware
by Sun

Software
by Oracle



oracle.com/exadata
or call 1.800.ORACLE.1

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How will Sun's system management products fit into Oracle's product portfolio?

Oracle and Sun's management software are highly complementary. Oracle Enterprise Manager provides comprehensive solutions for managing the full Oracle stack including applications, middleware, database, Linux, and virtualization. Sun Ops Center provides a comprehensive solution for managing Sun servers and their firmware; Solaris, Linux and Windows operating systems; and virtualization technologies such as Solaris Containers and Logical Domains. Oracle Enterprise Manager and Sun Ops Center are expected to combine and deliver to customers the most complete top-down application and systems management environment from applications to hardware.

Will Oracle continue Sun's virtualization strategy?

Yes, Oracle plans to continue Sun's "desktop to datacenter virtualization" strategy and integrate with Oracle's virtualization products. By unifying management across desktop virtualization, server virtualization, storage virtualization, and network virtualization, Oracle and Sun provide comprehensive, flexible, eco-efficient solutions to maximize utilization, consolidate to reduce costs, increase productivity, and decrease management complexity. We expect to continue Sun's desktop virtualization products: VDI, Secure Global Desktop, Sun Ray, and VirtualBox.

Will Oracle continue to invest in industry-specific solutions after the transaction closes?

Yes. Today, both Oracle and Sun provide leading industry-specific solutions for many industries including communications, financial services, and government. In fact, Oracle is the number one provider of industry specific software applications to these three industries, and many others. In addition to these three industries, Sun offers specific solutions for education, energy, healthcare, life sciences, media and entertainment, retail trade, and transportation. Oracle and Sun are two companies who understand industry needs and the combined companies are expected to continue to enhance and make further investments in industry specific solutions.

Additionally, Oracle considers Sun's relationships with their partners who service these industries of strategic importance. After the transaction closes, these relationships are expected to be an intrinsic part of Oracle's strategy to continue to deliver specific solutions that meet industry needs.

What are Oracle's plans for the GlassFish Enterprise (Java EE) Server after the transaction closes?

Oracle plans to continue evolving GlassFish Enterprise Server, delivering it as the open source reference implementation (RI) of the Java Enterprise Edition (Java EE) specifications, and actively supporting the large GlassFish community. Additionally, Oracle plans to invest in aligning common infrastructure components and innovations from Oracle WebLogic Server and GlassFish Enterprise Server to benefit both Oracle WebLogic Server and GlassFish Enterprise Server customers.

What are Oracle's plans for NetBeans?

Oracle has a strong track record of demonstrating commitment to choice for Java developers. As such, NetBeans is expected to provide an additional open source option and complement to the two free tools Oracle already offers for enterprise Java development: Oracle JDeveloper and Oracle Enterprise Pack for Eclipse. While Oracle JDeveloper remains Oracle's strategic development tool for the broad portfolio of Oracle Fusion Middleware products and for Oracle's next generation of enterprise applications, developers will be able to use whichever free tool they are most comfortable with for pure Java and Java EE development: JDeveloper, Enterprise Pack for Eclipse, or NetBeans.

How will Sun's Identity Management and SOA products fit into Oracle's middleware strategy?

Sun's Identity Management and SOA products are expected to be integrated into the Oracle Fusion Middleware product family. Sun and Oracle's Identity Management (IdM) and SOA products bring distinct and unique areas of strength. The combined products will benefit from increased R&D, rapid innovation, increased support for open standards, and a much larger ecosystem of partners and users. Oracle is committed to ensuring that the investments of Sun customers in middleware products are protected similar to what we have done for past acquisitions.

How does Oracle support open source?

Oracle has long been committed to developing, supporting, and promoting open source. Oracle has been, and continues to be, committed to offering choice, flexibility, and a lower cost of computing for end users. Oracle has invested significant resources in developing, testing, optimizing and supporting open source technologies such as Linux, PHP, Apache, Eclipse, Berkeley DB, and InnoDB. Oracle continues to embrace and offer open source solutions as a viable choice for development and deployment. More information about Oracle's support of open source can be found at oracle.com/opensource.

What are Oracle's plans for MySQL?

Oracle plans to spend more money developing MySQL than Sun does now. Oracle expects to continue to develop and provide the open source MySQL database after the transaction closes. Oracle plans to add MySQL to Oracle's existing suite of database products, which already includes Berkeley DB, an open source database. Oracle also currently offers InnoDB, an open source transactional storage engine and the most important and popular transaction engine under MySQL. Oracle already distributes MySQL as part of our Enterprise Linux offering.

What is Oracle's plan for OpenOffice?

Oracle has a history of developing complete, integrated, and open products, making integration quicker and less costly for our customers. Based on the open ODF standard, OpenOffice is expected to create a compelling desktop integration bridge for our enterprise customers and offers consumers another choice on the desktop. After the transaction closes, Oracle plans to continue developing and supporting OpenOffice as open source. As before, some of the larger customers will ask for extra assurances, support, and enterprise tools. For these customers we expect to offer a typical commercial license option.

The preceding is intended to outline our general product direction. It is intended for information purposes only, and may not be incorporated into any contract. It is not a commitment to deliver any material, code, or functionality, and should not be relied upon in making purchasing decisions. The development, release, and timing of any features or functionality described for Oracle's products remains at the sole discretion of Oracle.