

# ORACLE HYPERION STRATEGIC FINANCE

## KEY FEATURES AND BENEFITS

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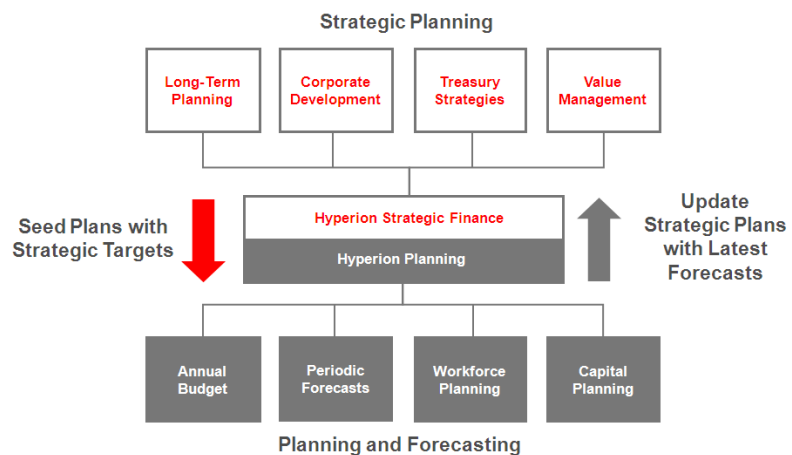
- What-if analysis toolkit to support unlimited scenarios
- Analyze trail feature to visualize model logic
- Funding options to optimize capital structure
- Freestyle reporting for professional quality reports and graphs
- Extended analytics for integrated enterprise reporting & analysis
- Debt scheduler to model cash flow implications of debt
- Consolidation & deal period functionality to simulate roll ups, mergers and acquisitions
- Tax and valuation options to calculate tax effects and enterprise value

### KEY BENEFITS:

- Integrate financial modeling for strategic planning, treasury, and corporate development
- Model with integrity and transparency to minimize risk and create efficiencies
- Minimize model building efforts with packaged financial modeling tools
- Deploy and implement quickly with minimal IT support

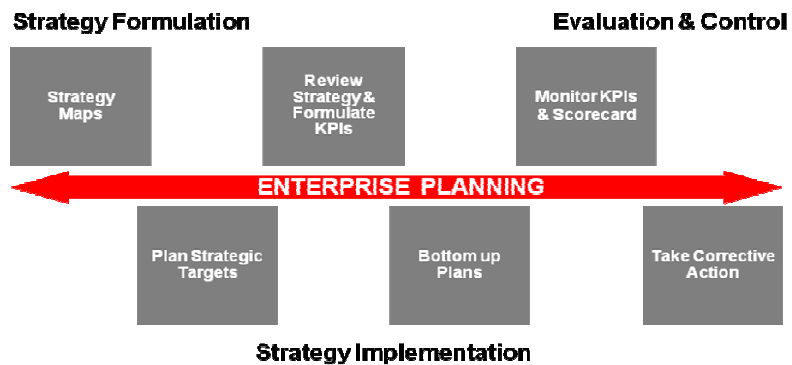
*Oracle Hyperion Strategic Finance is a feature rich financial forecasting and modeling solution with on-the-fly scenario analysis and modeling capabilities. It helps users quickly model and evaluate financial scenarios, and offers out of the box treasury capabilities for sophisticated debt and capital structure management. When used in conjunction with other Oracle enterprise performance management and Oracle business intelligence products, it provides a compelling solution which can be used to set targets, perform quick financial impact analysis, and present focused financial information for informed decision making.*

## Integrate Strategic Planning into Enterprise Planning and Business Intelligence



As a corporate finance professional you require powerful and agile tools to analyze the effects of fast changing business circumstances on your company's financial performance. You need a solution that goes beyond typical enterprise financial planning solutions to address the more complex challenges inherent in doing quick what-if scenario modeling and in long range target setting.

Oracle Hyperion Strategic Finance integrates strategic planning into your enterprise planning process. It allows users quickly develop financial models, perform on the fly what-if impact analysis based on dynamic decision variables and arrive at targets that can then be used within other enterprise performance management and business intelligence products. Oracle Hyperion Strategic Finance serves as a pivotal link for organizations to do closed loop, strategy oriented performance management.



Oracle Hyperion Strategic Finance is an integral part of Oracle's EPM suite through which Oracle provides a comprehensive planning and financial management solution that includes financial and operational planning, workforce and capital expense planning, and strategic planning.

Many finance organizations still rely on customized spreadsheets to do financial modeling and impact analysis during their various financial decision making process. Spreadsheets while familiar and widespread do not provide out of box sophisticated financial capabilities. Over time these customized spreadsheet solutions also become bulky to manage and lack in data transparency and integrity. Moreover they do not integrate your strategic planning, treasury, and financial modeling activities.

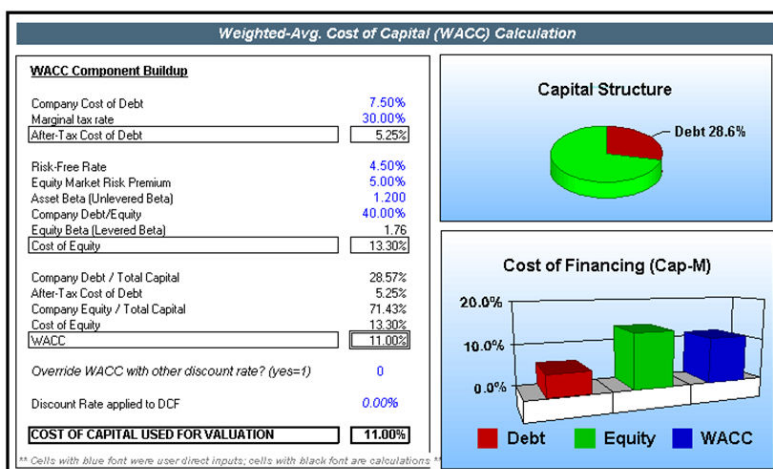
### **Key Benefits**

#### **Gain Deep Business Insight**

Oracle Hyperion Strategic Finance provides sensitivity and what-if analysis capabilities, allowing you to gain deeper, sounder strategic insights as you create scenarios to model your business. As part of Oracle's EPM System, Oracle Hyperion Strategic Finance integrates with Oracle's enterprise performance management and business intelligence products. This allows you to analyze and understand the potential disconnects between your targets, strategic and operational plans and actual results.

#### **Bring Integrity to Financial Modeling**

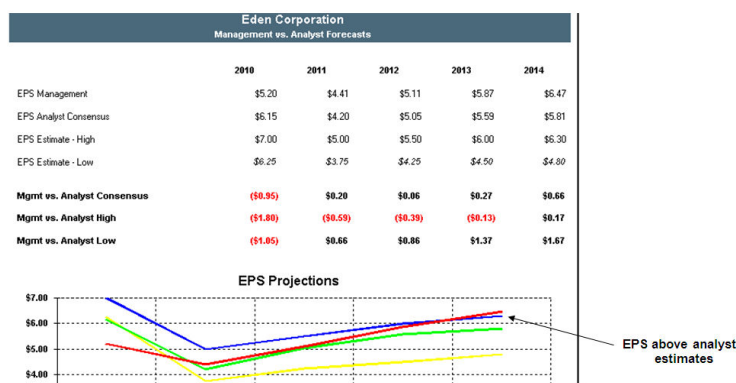
Financial models reveal the impacts of strategic decisions on a company's bottom line, balance sheet, cash flow, and shareholder value. Oracle Hyperion Strategic Finance provides on-the-fly what-if analysis and modeling capabilities thus allowing you to focus more on true financial analysis. Users can quickly develop customized alternate models and since accounting intelligence is built into the solution, the impact of these changes on financial statements are immediately reflected.



The Weighted Average Cost of capital can also be built using calculation logic within the product

**Save Time and Money with Prebuilt Financial Tools**

Unlike spreadsheets, Oracle Hyperion Strategic Finance delivers easy-to-use, built-in financial modeling tools. Neither you nor your IT staff will need to spend time and money writing sophisticated financial logic from scratch. Instead, the packaged tools in Oracle Hyperion Strategic Finance will motivate your finance managers to add complex analytical activities to their strategic financial planning—challenging activities that they can now easily accomplish.



Oracle Hyperion Strategic Finance provides out of the box calculations for Earnings Per Share

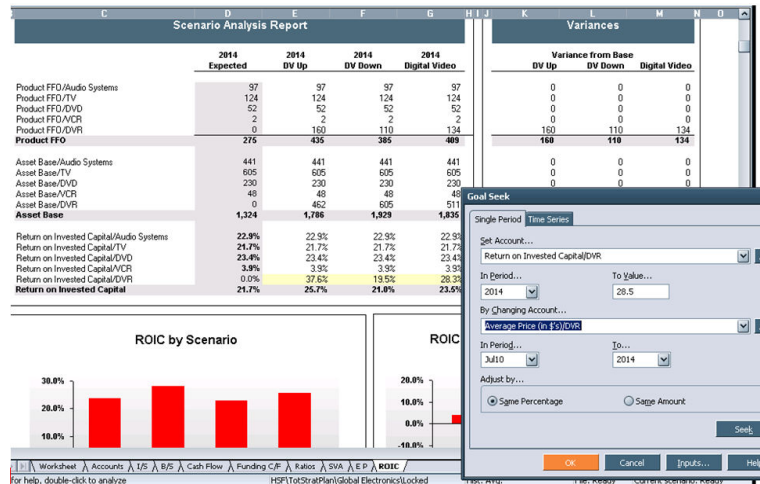
**Minimize Risk and Uncertainty**

Oracle Hyperion Strategic Finance lets you spend more time simulating long-term alternative strategies, developing contingent scenarios, and stress testing your financial models, instead of building or auditing those models in spreadsheets or other non-dedicated systems. You will be able to proactively and effectively respond to changing industry and economic impacts.

**Enhance Enterprise Value and Reduce the Cost of Capital**

Cash flow and balance sheet forecasting are critical elements in any planning environment. Oracle Hyperion Strategic Finance delivers financial intelligence that links all aspects of your financial performance—from earnings potential through

working capital management to capital expenditures, taxes, and the capital structure - to support your business. With Oracle Hyperion Strategic Finance, you can address the complex iterative nature of funding, the impact of strategies on your credit ratings, and capital structure optimization. Oracle Hyperion Strategic Finance offers special tools that support strategic treasury planning, allowing you to create value and reduce your company’s cost of capital.



Robust goal seeking features, what-if analysis and reporting features are delivered out of the box in Oracle Hyperion Strategic Finance

### Key Features

#### What-If Analysis Toolkit

The what-if analysis toolkit is a unique and powerful set of out-of-the-box tools that allow you to easily create an unlimited number of scenarios by business unit. Other capabilities let you evaluate any metric’s sensitivity to key performance drivers and run periodic “goal-seek” checks to determine the performance level needed to achieve specific financial objectives.

#### Analyze Trail

The analyze trail feature lets you visually understand the logic of a model. By presenting the most complex relationships in numbers and words, the information in the model becomes transparent to all the participants in the strategic planning process. Instead of following countless different “auditing arrows,” users have an elegant and intuitive way to view the assumptions and calculations in the model.

Direct Cash Flow for NA Services										
Author: Strategic Planning Group Scenario: Expected Millions of Dollars										
	2006	1007	2007	3007	4007	2007	2008	2009	2010	2011
<b>Operating Profit</b>	38.6	15.1	19.1	15.6	35.8	85.6	29.6	33.7	34.8	36.0
Depreciation Expense (Funds)	21.6	5.4	5.4	4.9	5.0	20.8	20.9	21.8	23.4	25.1
Total Taxes on Operations	22.2	7.6	9.1	4.7	10.7	32.1	8.9	10.1	10.4	10.8
<b>Funds from Operations After Tax</b>	37.9	12.9	15.4	15.8	30.1	74.3	41.6	45.3	47.8	50.4
Incremental Working Capital Investment	(2.1)	(1.2)	0.7	3.9	28.4		(30.2)	(12.5)	0.8	0.8
Fixed Capital Investment	48.8	15.1								
Proceeds from Sale of Assets	0.0	0.0								
<b>Cash Flow from Operations</b>	(0.7)	(0.9)								
<b>Net Cash Provided</b>	(0.7)	(0.9)								
<b>Funding Surplus / (Deficit)</b>	(0.7)	(0.9)	(0.4)							
Increase/(Decrease) in Intercompany Loan	(11.2)	(4.5)	(2.4)							
Increase in Long-Term Debt: Excess	35.4	0.0	0.0	(35.4)	0.0	(35.4)	0.0	0.0	0.0	0.0
Corporate Dividends	0.0	0.0	0.0	0.0	0.0	0.0	24.4	23.6	24.4	

Oracle Hyperion Strategic Finance provides focused audit trail for calculations

### Funding Options

Funding options is a sophisticated but easy-to-use feature that helps you optimize your capital structure and treasury strategies, thereby lowering your financing costs. It provides a variety of methods for specifying the way cash surpluses and deficits are treated in your model such as debt borrowing and repayments, dividend payments and share issues or repurchases.

### Debt Scheduler

Debt scheduler is an innovative and robust tool that allows you to create fixed- or variable-rate debt instruments, such as bonds and term loans, and update all financial statements accordingly, in just a few seconds. Whether you have monthly, quarterly, or any other time frequency for interest and principal payments, you can automatically obtain accurate calculations of the current debt and accrued interest, as well as the amortization of bond premiums, discounts, and issuance expenses.

### Deal Period

The deal period feature simulates the effects that mergers, acquisitions, or divestitures will have on your company based on the timing of the transactions.

Deal Summary			
<b>Transaction Value</b>		<b>Goodwill Calculation</b>	
Shareholder Value per Share (FV)	\$32.70	Total Purchase Price	\$564
Target Stock Price	\$19.00	Equity Book Value	(106)
% Premium Paid	23.68%	Transaction Fees	0
Share Offer Price	\$23.50	<b>Transaction Goodwill</b>	<b>\$468</b>
Common Shares Outstanding	24	<b>Consideration for Target</b>	
<b>Equity Acquired</b>	<b>\$564</b>	Equity Acquired	564
Total Debt	179	Transaction Fees	0
Cash at Deal	0	Total Debt	179
<b>Enterprise Value</b>	<b>\$743</b>	Assumed Debt	(179)
Transaction Fees	0	Cash at Deal	0
<b>Transaction Value</b>	<b>\$743</b>	<b>Total Consideration for Target</b>	<b>\$564</b>
<b>Transaction Value Multiples</b>		<b>Financing of Acquisition</b>	
Transaction Value / EBITDA	11.3x	Total Consideration for Target	\$564
Transaction Value / EBIT	15.3x	Cash Used in Transaction	(50)
Transaction Value / Revenues	3.3x	<b>Remaining Consideration to be Financ</b>	<b>514</b>
<b>Purchase Price</b>		% New Debt Raised	80.0%
Equity Acquired	564	% New Stock Issued	20.0%
Transaction Fees	0	New Senior Notes	411
<b>Total Purchase Price</b>	<b>\$564</b>	New Common Stock	103
<b>Expected Synergies</b>		Cash Used in Transaction	(50)
		<b>Total Consideration for Target</b>	<b>\$564</b>
		<b>Shares Outstanding - Post-Deal</b>	<b>700%</b>

Corporate deal transactions can be easily simulated within the product with calculations and reports done on the fly

**RELATED PRODUCTS**ORACLE'S  
PERFORMANCE  
MANAGEMENT  
APPLICATIONS

Oracle's performance management applications comprise a modular suite of integrated applications that support a broad range of strategic and financial performance management processes to enable management excellence. Part of Oracle's enterprise performance management system, these applications can be quickly deployed out of the box, extended with Oracle's business intelligence product family, or tailored to meet your organization's specific needs.

## RELATED PRODUCTS:

Oracle's performance management applications include the following products:

- Strategy Management
- Oracle Hyperion Performance Scorecard
- Financial Close and Reporting Solutions
- Enterprise Business Planning Solutions
- Profitability and Cost Management Solutions
- Enterprise Dimension Management Solutions

**Consolidation**

The consolidation feature consolidates entities following the rules for financial consolidation, including Minority Interest, Equity, and Cost methods of accounting for subsidiaries. It allows for consolidation over specific time horizons, or excluding specific groups of accounts, allowing for accounting eliminations. The product allows cross-scenario consolidations. For example a scenario from one entity can be combined with another scenario from a second entity to give the 'most likely' scenario in the parent entity. Using extended analytics, Oracle Hyperion Strategic Finance allows users to move this data, the consolidation roll up and percentages for each scenario to external data store for corporate reporting needs.

**Integrated & Free Form Reporting**

With its user-friendly reporting environment, Oracle Hyperion Strategic Finance lets you create professional quality reports and graphs. And because the reports are self-contained in the financial models themselves, you are able to work on full models offline. Through its extended analytics feature, the information can also be moved to a relational data store or to Oracle Essbase for reporting and analysis using Oracle business intelligence products.



**Data from Oracle Hyperion Strategic Finance can be easily exported into external databases for reporting and analysis**

**Contact Us**

For more information about how your organization can leverage the power of Oracle Hyperion Strategic Finance, please visit [oracle.com](http://oracle.com) or call +1.800.ORACLE1 to speak to an Oracle representative.

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