



## **Borland's February 8, 2006 Announcements Frequently Asked Questions (FAQ)**

**Q: Why has Borland decided to acquire Segue?**

A: Segue is the leader in software quality optimization. This acquisition will expand Borland's leadership in ALM and enable us to provide customers compelling offerings in one of the most critical areas of software delivery — quality. Segue brings to Borland a comprehensive line of quality optimization and performance management products, a global team with deep understanding of the quality and testing space and a significant customer base representing a wide range of industries and over 60 percent of Fortune 100 companies. Segue's solutions and industry expertise are a natural fit with Borland's existing product set and worldwide service offerings, and will play a central role in Borland's upcoming Lifecycle Quality Management Solution. As part of its SDO vision, Borland seeks to make software delivery a more managed business process. The combination of Borland's ALM and process expertise, with Segue's quality and testing expertise, will bring us further toward this goal.

**Q: What value does this acquisition have for Borland customers?**

A: Lifecycle Quality Management is one of the critical process areas that customers struggle to continuously improve. The Segue acquisition will fill out a key part of Borland's ALM portfolio, act as a foundation for Borland's Lifecycle Quality Management Solution, and provide customers with the services and technology they need to improve and ensure software quality, while systematically reducing costs associated with rework.

**Q: Why is this announcement positive for Segue customers?**

A: Through this acquisition, Segue customers will benefit from synergies between Borland's ALM products and Segue's quality products. Segue and Borland share a common vision for an approach to quality that spans the entire software delivery lifecycle. This combined approach benefits from Borland's process expertise, consulting and education capabilities and broader ALM portfolio to create a comprehensive Lifecycle Quality Management solution.

**Q: How will the products purchased from Segue be impacted by this announcement?**

A: Borland will honor all contractual obligations made to Segue customers. Borland is committed to providing the product support, training and resources to maintain and expand Segue deployments. Together, the companies will continue to enhance Segue products, increase the integrations with Borland's ALM technologies and put customers first.

**Q: What is the roadmap for integrating products from Borland and Segue?**

A: Products from Borland and Segue are integrated today due to the long-standing relationship between the two companies. Integrations have been built to share requirements, test cases, defects and metrics between Segue's quality technologies and Borland's ALM technologies. In the near term, Borland will be focused on delivering a comprehensive Lifecycle Quality Management Solution that combines elements of Borland and Segue's product lines, as well as relevant process optimization and skills training services.

**Q: Why did Borland decide to divest of its IDE product lines now?**

A: Today's announcements emphasize Borland's commitment to the ALM market, and to the acceleration of its Software Delivery Optimization vision. This commitment requires a strong focus, and continued investment in its ALM products and services. The IDE market, although closely aligned with the ALM market, requires a different sales and marketing model, and overall operating focus. Borland has determined that it is in the best interests of its customers to create a separate entity through the sale of its IDE product lines, that can be equally focused and committed to the ongoing development of IDE products and developer productivity. Our belief is that this decision will enable both product lines to continue to thrive and grow in the marketplace, offering customers enhanced value over time.

**Q: How does this decision impact the integrations between Borland's IDE and ALM products?**

A: Borland ALM-IDE product integrations add value to both product families, and we fully expect to work closely with the buyer to continue maintaining and advancing these integrations to benefit our joint customers.

**Q: What will Borland's focus be moving forward?**

A: Borland's mission is to shape the next-generation of software development. Our strategy to accomplish that goal and help organizations accelerate the path to SDO is to provide customers with a solutions-oriented approach to critical software delivery processes. In 2006, Borland will deliver packaged solution offerings in the process areas that are most vital to maximizing the business value of software. These are IT Management and Governance, Requirements Definition and Management, Change Management and Lifecycle Quality Management. While these are not the only processes within the software lifecycle, Borland has identified these four process areas as critical to addressing the most common issues faced by IT organizations in delivering business value in a reliable, and predictable manner. Borland, in combination with Segue, brings depth and breadth of experience with customers around the world to these four critical processes.