

Overview and Frequently Asked Questions

Overview

Oracle Completes Acquisition of Portal; Expands Oracle's Applications Drive into Communications and Media

On July 3, 2006, Oracle announced that we have completed our acquisition of Portal Software, a leading global provider of billing and revenue management solutions for the communications and media industry.

Oracle currently supplies technology and applications to over 90% of communications companies worldwide, and 17 of the top 20 most profitable communications companies run Oracle applications. Additionally, Oracle's Siebel Telecom applications have become the industry standard for call centers and customer care. Oracle Database 10g is the leading relational database and TimesTen is the most widely used in-memory database for the communications industry. Oracle Fusion Middleware is the fastest growing service delivery platform for next generation networks using network independent standards.

Portal offers the only billing and revenue management platform with a modern, object-oriented architecture built on Oracle that can bill and manage any communications service including wireless, wireline, broadband, cable, voice over IP, IPTV, music, and video. As communications, publishing, media, and entertainment services converge, Oracle can support companies with a proven offering for billing, pricing, promotion, charging, customer interaction, and management of digital services and content. Together, we plan to deliver the first end-to-end packaged enterprise software suite for the communications and media industry.

Portal's management and employees will form a dedicated global communications business unit within Oracle concentrating on billing and revenue management. Bhaskar Gorti, Portal's CEO, will lead the unit as General Manager.

Customer Benefits

The combination is expected to provide communications service providers with the following benefits:

- **Advanced insight and care of customers:** Maximizes the joining of billing data with subscriber profile and other data for a real-time 360-degree view of the customer. This maximizes subscriber lifetime value and increases service profitability with targeted cross/up-selling.
- **Improved revenue management:** Customers can now avoid revenue leakage across end-to-end transactions and increase visibility and auditability of key business processes. The integrated Oracle and Portal solution will allow customers to proactively manage enterprise finances, cost effectively bill for services, and utilize best practices to manage customer revenues and profitability.
- **Speeds time to market of new services and dramatically lowers costs:** Lengthy and manually intensive product, price, and bundle management can be streamlined and automated. A single view of customers, products, and services will allow providers to rapidly introduce innovative services and gradually move away from costly, legacy-intensive product management.
- **Backed by a single global vendor:** Customers will benefit from Oracle's global 24x7 distribution and support network, with the backing of 7,000 support service personnel, 14,000 software developers, and access to more than 16,000 partners.
- **Protection of investments:** Customers' investments in Portal applications are planned to be supported and protected by Oracle as the billing and revenue management standard for the combined companies.

Partner Benefits

The combination of Oracle and Portal is expected to provide partners with the following benefits:

- Work with a single vendor to address customer needs for billing, CRM, ERP, analytics, and infrastructure software: Portal partners are expected to benefit from Oracle's worldwide resources and partner ecosystem, as well as preserving their investments and experience with Portal products. Oracle partners are expected to benefit from Portal's best-in-class, real-time billing solutions. Both companies' partners are expected to benefit from the complementary solutions that create the first end-to-end packaged enterprise software suite for the communications industry.
- Continuity of Oracle's partnership with Network Equipment Providers in the convergent charging area: Oracle expects no change to the partnerships we have built with network equipment providers, particularly IN-based charging solutions. The addition of Portal enhances Oracle's portfolio to the communications industry, and is complementary to network equipment providers' charging initiatives.
- Commitment from Oracle to continue supporting other billing ISVs: Oracle is committed to helping billing ISVs with the provision of Oracle's infrastructure software, including our relational database, in-memory database, middleware, and analytics. Oracle is also committed to helping enable integrations between billing ISVs and Oracle's other enterprise applications. The provision of technology support and collaboration for these activities will be conducted independently from the business unit led by Portal.

Frequently Asked Questions

Product Overview, Product Roadmap, and Strategy

What products does Portal currently develop and support?

Portal currently offers Portal 7, the latest release from Portal Software representing the industry's only fully convergent enterprise billing and revenue management platform. Portal 7 manages customer revenue end-to-end, and enables service providers to accelerate the launch of innovative new services,

enrich global customer relationships, and significantly reduce the costs associated with legacy approaches to billing.

What is the current release of Portal 7?

The current release is Portal 7 release 2. This was made generally available in July 2005.

Will this acquisition impact the R&D of Portal solutions?

Portal and Oracle plan to provide continuity in roadmap and direction. Oracle plans to support and protect customers' investments in Portal applications as the billing and revenue management standard for the combined companies. R&D in Portal solutions will actually increase as it now has the backing of Oracle's \$1.7B R&D budget.

How will the product portfolios be integrated over time? Will Portal's product be integrated with Oracle's applications and technology stack? How will this impact Portal's technology, such as TIMOS?

Over time and through phased release cycles, we plan to more fully leverage Oracle technology platforms (i.e., RAC, TimesTen In-Memory Database, DataHub, etc.) and increase the level of integration with key applications such as Siebel CRM, Analytics, Oracle Financials, Oracle Order Management, and Customer & Product Data Hubs.

How does Oracle plan to maintain industry and domain expertise?

Oracle has retained Portal employees within a separate business unit within Oracle focused on billing and revenue management. The communications business unit will include strategy, development, sales, consulting and marketing. Oracle intends to retain the existing Portal management team to lead billing and revenue management and thereby retain the industry domain knowledge and customer relationships.

How compatible are these technologies with Oracle and how does Portal technology fit into Oracle Fusion?

Portal 7's architecture is closely aligned with Oracle applications and technology direction and strategy. Portal's application supports

open-standards, service oriented integration, configuration, and flexible extensions. As proven by dozens of customers, the Portal solution is built for integration and will be a logical complement to Oracle's existing application footprint. Currently Portal has a productized integration with Oracle's Siebel CRM. Overall, Portal's architecture is advanced, compatible with Oracle's products, and aligns with Oracle's goals for Oracle Fusion Applications.

How does Portal fit into Oracle's overall enterprise software strategy?

In 2005, the communications industry was the fourth largest industry in terms of software spend. With nearly 700 communications application customers, Oracle has historically been a leader in this industry. Given the market size and Oracle's industry presence, the communications industry will continue to be a strategic industry for Oracle focus and investment. Billing and revenue management rounds out the Oracle solution footprint, and represents the largest portion of software spend in the industry.

Communications service providers worldwide have told Oracle that accessing an integrated packaged applications suite is one of their highest priorities. Additionally, billing and revenue management is moving to the forefront of business strategy and differentiation. Inclusion of billing and revenue management in the Oracle offering provides a catalyst for communications service providers to move to product-based rather than custom-built billing and revenue management systems. The Portal solution will immediately complement Oracle's leading solutions in CRM, Analytics, Customer & Product Data Management, and Financials.

Will you use Portal only in the communications industry or will it become a horizontal billing engine?

The acquisition of Portal will immediately add value to Oracle's communications industry strategy and our joint communications customers. In the future, additional industries may be considered if the market demand, customer interest, and solution footprint is applicable.

Customers

What incentive does Oracle have to keep Portal customers a priority?

The acquisition is consistent with Oracle's intent to develop deep communications industry functionality and provides significant

incremental selling opportunities. This continues Oracle's strategy of further penetrating strategic industries, which has included Retail (Retek), Financial Services (i-flex solutions) and Communications (Siebel, TimesTen, Net4Call and Hotsip). The transaction expands Oracle's industry expertise, complements Oracle's applications and technology, and creates new growth opportunities. The satisfaction of Portal's customers is a high priority as Oracle seeks to continue and expand these customer relationships.

How will Oracle ensure the smooth integration of the two companies?

Oracle is very focused on customer satisfaction and plans to provide a smooth transition without customer disruption. Oracle is experienced with integrating companies quickly and efficiently. Oracle will provide dedicated personnel from key functional areas for integration and utilize proven templates and processes for repeatable success in integration. We will communicate regularly throughout this process to keep our customers well informed.

Critical integration goals for Portal include:

- Focus on 100% customer satisfaction
- Ensure smooth transition for customers without interruption
- Over-communicate throughout the integration
- Provide seamless customer and product continuity
- Product availability and release plans will continue
- Work with customers to shape the product development activities
- Oracle intends to maintain the relationships that Portal has with Systems Integrators
- Retain Portal as a business unit within Oracle
- Existing management team to lead billing and revenue management
- Retain industry domain knowledge and customer relationships

We're currently evaluating Siebel CRM and a 3rd party billing engine. Now that Oracle is planning to acquire Portal, will this make 3rd party billing engines less strategic?

Oracle will continue to support strategic billing partners. Oracle

APIs are and will continue to be extensible and flexible to support multiple disparate billing systems. We have many common customers with Intec, Amdocs, BSCS, Convergys, and Comverse for example. To ensure the success and satisfaction of these common customers, Oracle will continue to support our strategic billing partners.

Will Oracle support multiple billing engines simultaneously?

Yes. For historical reasons this is now a common situation for operators and we are frequently implementing with multiple simultaneous billing systems. Oracle's solution integrations will be open and extensible to support Portal integration, 3rd party billing integration, and multiple simultaneous third party billing integrations.

Partners

Will the Oracle-Portal integrated solution expand the opportunity available to Systems Integrators?

Oracle plans to make general product roadmaps and integration plans available shortly. The integrated solution will expand the revenue potential for Systems Integrators. It is our intent to deliver an end-to-end integrated solution that will offer Systems Integrators the opportunity to quickly add value while also focusing on business process re-engineering, product and pricing initiatives, and operational efficiency.

What does this mean for Oracle's collaboration with Network Equipment Providers going forward with particular focus on convergent charging and receivables?

We are strengthening our capabilities in the billing domain and Portal provides a clean, modular, software based approach, enabling a wide variety of migration scenarios and partnering opportunities. With the Portal billing solution, Oracle will have the opportunity to further expand our partnerships with key Network Equipment Providers.

How does this affect Oracle's relationship with other billing vendors?

Most communications service providers have multi-vendor environments and use a variety of billing, customer care, and

network management systems. Over the last five years, Oracle has developed deep partnering relationships with each of the major billing vendors including Convergys, Comverse, Intec, Portal, and Amdocs. Oracle is committed to the ongoing support of these billing ISVs. To further expand these partnerships, Oracle will provide these partners with open access and support to all infrastructure software components such as Oracle Database, TimesTen In-Memory Database, Oracle Fusion Middleware, and Oracle Business Intelligence Suite. This technology support and collaboration will be executed independently from Portal and the application solution strategy. In addition, Oracle remains committed to 3rd party billing integrations to key Oracle applications such as CRM, Analytics, Financials, and Order Management.

How will Oracle support Portal partners?

Every effort is being made to ensure that business continues uninterrupted through this transitional period. Portal partners will continue to receive support through their existing contacts until further notice. We will communicate all changes and transitions in advance through these familiar channels.

Business Continuity

Can I still purchase Portal products?

Yes. Please contact your Portal sales representative to assist you, or visit www.Portal.com for contact information.

Should Portal customers continue to call the Portal Support Center?

Yes. Portal customers will continue to receive support and services from Portal, and should continue to use existing Portal contacts for support, professional services, and sales to address immediate and ongoing needs. We will communicate all changes and transitions well in advance through these familiar channels.

Should Portal customers continue to contact their Portal sales representative?

Yes. Customers should continue to rely on existing relationships.

Will training on Portal products continue?

Yes. We currently plan to combine the Portal education delivery team with Oracle University. We want to ensure that our customers' software provides the best possible service for their organizations, and we know excellent training is critical to reach that goal.

Will existing Portal customer contracts be honored?

Yes. Oracle intends to honor the terms and conditions of existing Portal contracts.

Have the Portal leadership and employees been retained?

Yes. The goal of this combination is to complement the offerings of Oracle and Oracle has maintained Portal as a separate unit within Oracle and has retained the existing Portal management team to lead the billing and revenue management business for the combined companies.

What will happen to the Portal user conference?

Existing and future Portal customer relationships will continue to be a priority. Portal and Oracle plan to invite the Portal user group to Oracle OpenWorld in October. More information about Oracle OpenWorld can be found at <http://www.oracle.com/openworld/index.html>

Where can I find out more information about the proposed Oracle and Portal combination?

For more information, please visit Oracle.com/PortalSoftware

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