

**ORACLE®**



## **Oracle and SPL - Acquisition Announcement**

**Delivering the most complete, integrated end-to-end packaged solution to meet the unique needs of the Utilities industry**

**Customer and Partner Presentation  
November 3, 2006**

# Disclaimer

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# Agenda

- What We are Announcing
- Strategic Rationale
- Customer and Partner Benefits
- SPL Overview
- End-to-End Utilities Suite

# What We Are Announcing

- Oracle has acquired SPL WorldGroup, a leading provider of Utilities Revenue & Operations Management and Public Sector Tax Management solutions
  - Expands Oracle's applications drive into Utilities and Public Sector
  - Transaction closed November 2, 2006
- Combination of Oracle and SPL delivers the most complete, integrated end-to-end solution suite for the Utilities industry
  - Oracle as the leading choice for ERP, database and infrastructure software
  - Siebel as the standard for large Utilities call centers, sales and service
  - SPL as the leading Utility Revenue & Operations Management suite
- SPL management and employees to continue as a dedicated business unit within Oracle concentrating on Utilities
  - Retention of domain expertise and customer relationships
  - Ensure smooth transition for customers without interruption

# Overview of Strategic Rationale

- Extends Oracle's industry applications focus into Utilities by adding world-class portfolio of Revenue & Operations Management solutions
  - Utilities is a strategic industry segment for Oracle with growth focused on integrated packaged applications
  - Changing regulatory environment, technology advances, new standards and energy conservation initiatives are creating a fresh cycle of Utility IT investments
  - The operational functions associated with mission-critical systems represent a priority software spend for Utilities
  - SPL's *enSUMIT* suite of industry leading solutions supports critical operational business processes, services, markets and geographies required
- Consolidates Oracle's leading position in Public Sector by adding complementary Tax Management capabilities
  - Integrated Revenue and Taxation Management processes for Public Sector enterprises that enhance collections visibility and improve operational efficiencies
- Increases Oracle's addressable customer base and solidifies industry leadership
  - Significant customer commonality provides immediate benefits
  - Additive to Oracle's goal to become #1 globally in applications

# Oracle in Utilities Today

Long history as the leading provider of applications and infrastructure software to the industry

- Over 2,500 Utilities run Oracle Technology
  - 10 of the top 10 global electric and gas companies run Oracle Technology
- Over 400 Utilities Applications customers globally
  - 13 of top 20 global electric and gas companies run Oracle Applications
  - 9 of top 20 U.S. electric companies run Oracle Applications
  - 6 of top 10 U.S. gas companies run Oracle Applications
  - 8 of top 20 U.S. water companies run Oracle Applications
- Leading applications and infrastructure capabilities for the Utilities Industry
  - Utility-specific CRM, PRM and analytics solutions on 9<sup>th</sup> release
  - Strategic planning, projects, logistics and maintenance solutions for optimized lifecycle management of generation, transmission and distribution assets
  - Integrated waste management logistics and processing
  - Scalable and secure spatial database and middleware technology for smart and automatic meter reading

# SPL Customer Benefits

## SPL applications supported and protected as Oracle's Revenue & Operations Management standard for Utilities

- Stronger combined vendor with complementary products
  - SPL provides best-in-class Revenue & Operations Management suite for Utilities
  - Integrated Tax and Revenue Management processes for Public Sector enterprises
  - Oracle provides leading ERP, CRM and infrastructure software
- Enhanced support and services through scale
  - Global 24x7 distribution and support network for streamlined commercial relationships
  - Plan to include SPL solutions in Oracle's lifetime support policy
- Maintain SPL as a dedicated business unit to deliver continuity and consistency
  - Ensure smooth transition for customers without interruption
  - Plan to continue product availability and release plans
  - Existing management team to lead Utilities effort
  - Continue to support development of Public Sector Tax Management solutions
- Extended partner ecosystem with increased investment
  - Support and broaden relationship with SPL partners

# Oracle Customer Benefits

## SPL acquisition underscores Oracle's commitment to the Utilities industry

- Combination of SPL and Oracle delivers the most complete, end-to-end Revenue & Operations Management solution suite for the Utilities industry
  - Pre-built integrations to Oracle enterprise applications
  - Integrated Tax and Revenue Management processes for Public Sector enterprises
- Delivers unequalled benefit to customers
  - Respond to industry trends that are driving the demand for complex, comprehensive solutions
  - Superior understanding and care of customer
  - Greater business insight
  - Improved revenue management
  - Increased visibility and auditability of key business processes
  - Superior ownership experience with low total cost of ownership
- Delivered by industry experts with significant domain knowledge
  - Additive to Oracle applications and technology capabilities
- Facilitate transformation of customers' operations to leading edge infrastructure that improves competitive advantage

# Oracle and SPL Partner Benefits

- Work with a single vendor to address customer needs for Utilities Revenue & Operations Management, Public Sector Tax Management, CRM, ERP, analytics and infrastructure software
  - Benefit from Oracle's worldwide resources and partner investment
  - Benefit from SPL's best-in-class portfolio of Revenue & Operations Management solutions
  - Preserves partners' investments and experience with SPL
- Opportunity for SIs specializing in Utilities and Public Sector to provide world-class solutions to customers
  - Expanded application footprint offers additional opportunities
  - Strengthened go-to-market capabilities through Oracle's global sales force
- Broaden existing ISV and developer partnerships and establish new partnerships to complete combined footprint
  - Joint product roadmaps
  - Provision of Oracle's infrastructure software (RDBMS, Middleware, BI)
  - Integration between ISVs and Oracle's enterprise applications
  - Provision of technology support and collaboration to be conducted independently from SPL

# Overview of SPL

## Long History of Revenue & Operations Management Successes in Utilities

- Founded in 1968
- Headquartered in San Francisco
- Best-in-class portfolio of Utilities Revenue & Operations Management solutions
- Customer care & billing, mobile workforce management, outage & distribution management, asset management for all Utilities segments
- Public Sector Tax Management

## Experienced Industry Specialists

- 928 employees
- World-class talent with deep domain expertise across R&D, sales and services

## Unequaled Global Customer Portfolio

- 171 Utilities and Public Sector customers across 21 countries
- Utilities providing services to approximately 200 million energy and water customers globally use SPL solutions for mission critical operational functions

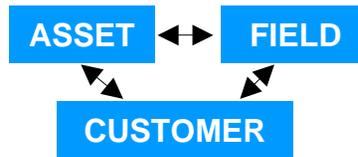
# Industry Trends Drive Demand for Revenue & Operations Management

Dynamic Industry Environment



Increased competitive and regulatory pressures drive time to market for system flexibility to handle more services

Continual Operational Improvement



Untapped cost savings in many areas such as asset lifecycle management require an integrated solution view

Customer Centricity



Customers driving higher service demands and multi-channel flexibility from the Utility provider to evolve the relationship beyond just a “bill”

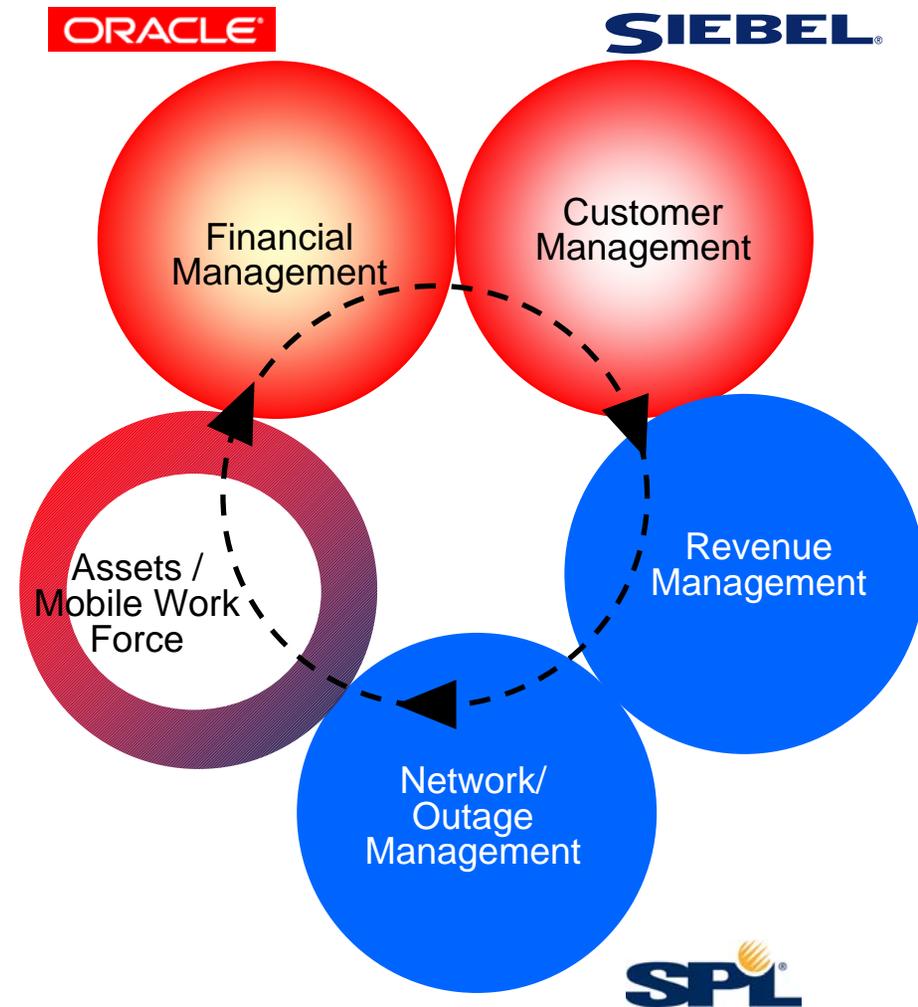
Technology Advances



Innovative technology such as “connected smart metering” reduces human error, enables more accurate management and requires an integrated, end-to-end solution

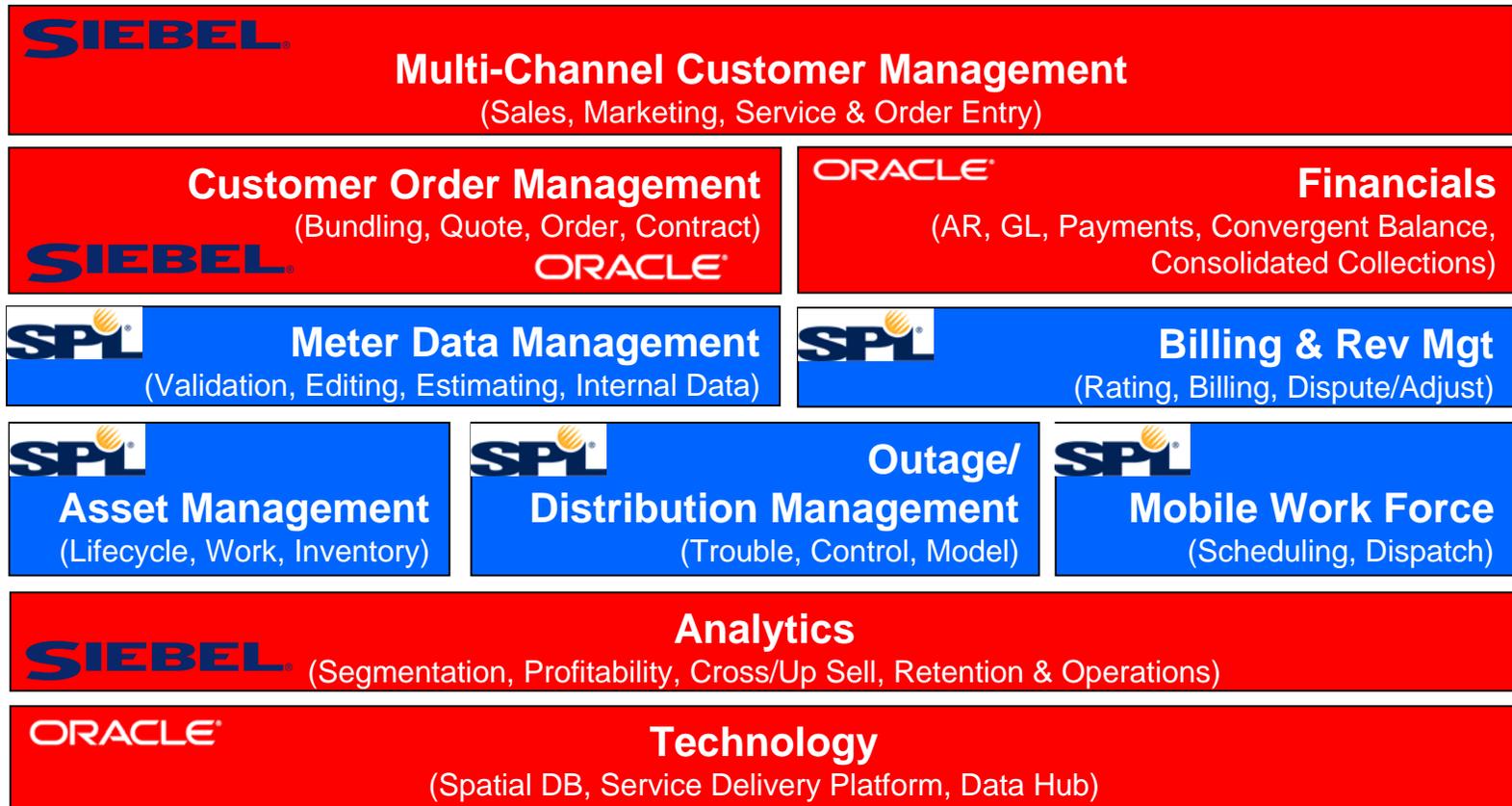
# Combination Unifies Mission Critical Business Processes for the Enterprise

- Utilities are consolidating and standardizing
  - Provide consistent customer experience
  - Need one view of customer
  - Optimize operational efficiencies
  - Improve distribution network reliability
- Drive to capitalize on best-practices and application integration
  - Reduce investments on integration of disparate systems
- Consolidation of enterprise solutions
  - Reduce revenue leakage
  - Improve field and customer service
  - Increase customer lifetime value
  - Reduce total cost of ownership

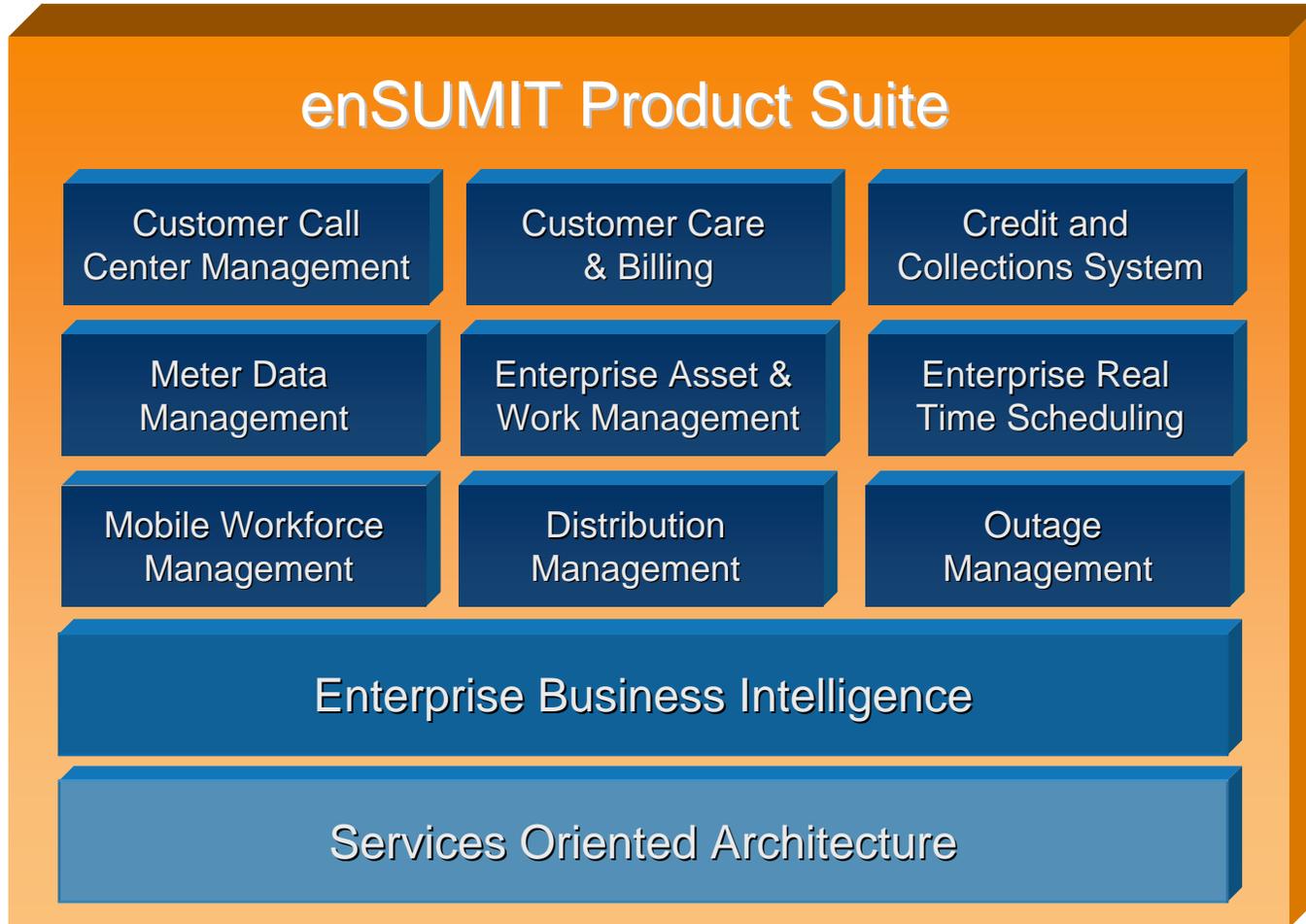


# Creates Utilities Industry's Most Complete End-to-End Solution Suite

- Approximately 540 unique applications customers on a combined basis in Utilities
- 97% of SPL' customers are Oracle infrastructure software customers
- 35% of SPL' customers are Oracle applications customers



# SPL Utilities Revenue & Operations Management Footprint



# SPL Key Customers By Solution

## Customer Care & Billing



## Mobile Workforce Mgmt.



## Outage Management



## Asset Management



## Tax Management



# Next Steps

- General announcements – November 3, 2006
- Communicate extensively with all constituents
- SPL User Conference
  - Encompass, November 5-8<sup>th</sup>, Orlando, FL
- More information can be found at [oracle.com/spl](http://oracle.com/spl)