

UK first for basis2



Cambridge Water is leading the way by becoming the first company in the UK to select the basis2 Utility Billing and Customer Information Systems (CIS). The licence and associated services will be worth around \$0.5 million over three years.

The selection follows a rigorous evaluation of basis2 and other CIS solutions that are well established in the UK water industry; basis2 will replace Cambridge Water's current AS/400 based billing system with a 100% Oracle browser based solution.

The systems will be delivered and supported by our Business Partner, Imass Ltd, who have over 60 person-years of billing experience and are one of the largest dedicated Utility IT teams in the UK. The selection is against competition from the two most popular products currently in use in UK water-only companies.










Martin Greasley, Cambridge CFO comments:

"Imass and Prophecy approached us with a new and exciting product that immediately impressed us with its scope and modern technology. It is clear to us that the product offers facilities to manage customers, meters and revenue that can help us meet the challenges facing UK water companies and to deliver the service our customers expect. We are reassured by the commitment, depth of experience and knowledge demonstrated by Imass and Prophecy and the fact that we have had a good relationship with Imass for a number of years."

Dave Hudspith, Imass Utilities Director states "This contract represents a significant milestone for Imass. We are looking forward to a successful implementation at Cambridge Water and to meeting with other utility companies to discuss how basis2 can assist them". "We're very excited about basis2. It's a perfect addition to the Imass Integrated Product Suite for the sector. The timing couldn't be better as demand for new Customer Information System solutions is continuing to grow, especially in the UK water market.

Cambridge Water was established in 1853 and currently supplies water to 130,000 properties in the City of Cambridge and the surrounding areas.

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Positive Cash!

It gives us great pleasure to advise that the provisional FY2003-2004 results highlight the progress the company has been making back toward profitability. A positive cash flow for the year is the first sign of the upward trend and provides a good base to start the new financial year.

UK's Biggest Transport Group Drives into e-Foundation

UK's largest surface transportation company, FirstGroup has purchased a licence for Prophecy's e-Foundation Over Legacy Product. The deal is estimated to be worth in excess of AUD\$500,000 over 3 years.

FirstGroup have recognised the benefits of using e-Foundation to extend the life of their existing system in order to dramatically increase its usability and functionality without high costs or business disruption.

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UK's Biggest Transport Group Drives into e-Foundation

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FirstGroup run a very large transport business in the UK and North America and enhancing their systems to lower their cost base was a vital decision for them to make. System continuity was also a key requirement in their upgrade plans, for any failures or system outages could have huge ramifications. Safety is a vital concern as well as the provision of a low cost and efficient service to their end consumers.

The cost savings gained from upgrading their systems with e-Foundation allow FirstGroup to concentrate their resources for business expansion and lowering their cost base to improve margins.

Joe Slattery, Prophecy's Global Alliances Manager said, "FirstGroup have been looking forward to purchasing the e-Foundation Over Legacy System and utilising our expertise in software application development to enhance their systems and enable them to provide a higher



level of customer service all round. They're excited about fulfilling their strategic goals in the systems and customer service area"

Prophecy's UK and Australian based staff will support FirstGroup in the software implementation adding to their already considerable expertise in the transport and utilities arena.

FirstGroup plc. is the UK's largest surface transportation company with a turnover of nearly £2.5 billion a year and some 62,000 employees across the UK and North America.

It is the largest bus operator in the UK running more than 1 in 5 of all local bus services and carrying 2.8 million passengers every day. They also operate other UK passenger and freight services.

In North America the Group has three operating divisions: yellow school buses (First Student), transit contracting and management services (First Transit) and vehicle maintenance and ancillary services (First Services). Headquartered in Cincinnati the businesses operate across the US and Canada.
www.firstgroup.com

New Utilipoint report indicates growth in the utility customer care market

UtiliPoint announced the release of a report based on the firm's recently concluded survey of 305 utility customer care executives.

The report analyses survey results and identifies vital trends in utility customer care. One of the key findings of the survey and report is that there is a significant increase in the number of utilities shopping for a new customer information system (CIS).

This is certainly great news and our basis2 man in the US, Peter Barzen, says these findings substantiate the large amount of interest in the basis2 product.

utilipoint.com



US Top 100 Company chooses Prophecy

Prophecy International and CIBER, Inc. are delighted to announce they have signed a reseller agreement for Prophecy's basis2 suite of Billing and Customer Information Systems (CIS) for utilities.

CIBER, Inc. (NYSE: CBR), an international system integration consultancy based in Colorado USA, (VARBusiness Top 100 company in 2001, 2002 & 2003), is excited by the opportunity to sell one of the world's best Billing and Customer Information Systems into the North American market.

Ramu Ramanathan, CIBER Vice President of Product Services for the Utilities market, championed the partnership, and said, "Prophecy's basis2 expands our U.S. product

offering to the Utilities sector and allows us to offer a more complete solution. CIBER has worked with some of the largest utilities in the U.S. for more than a decade."

Prophecy's US staff cemented the deal on the strength of the basis2 software and Prophecy's experience and commitment to their business partners. Peter Barzen, Prophecy's American Executive Vice President said,

"CIBER represents one of the best vehicles to gain a strong presence for basis2 in the very significant North American utility CIS market. If we were to secure just 5% of the software and services market it would be worth around US\$12.5Million a year." Peter added, "CIBER has a strong partnership

with Oracle and basis2 fits perfectly with Oracle's E-Business Suite, enabling CIBER to further leverage their extensive Oracle expertise."

CIBER, Inc. (NYSE: CBR) is an international system integration consultancy to private and government sector clients. Founded in 1974, the company's consultants now serve client businesses from over 60 CIBER and 11 CIBER Europe offices. Annualized revenue is approximately \$US 850 million with more than 7,500 employees. CIBER is included in the Russell 2000 Index and the S&P Small Cap 600 Index.

ciber.com



Water Licensing Version 3 system delivered and live!

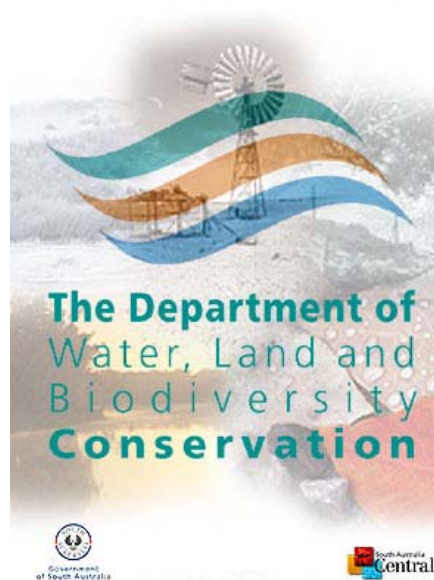
Friday 30 July was an exciting date for the Department of Water, Land, Biodiversity Conservation in Adelaide, as they went live with the system that will support water licensing management throughout the State

The Department has greeted the software with enthusiasm as a significant component in its management of precious water resources and related environmental impacts and Prophecy International is delighted to support this work.

The strategic system will manage water allocation, licences, various water-related permits, and administrative functions in its first release. Additional functionality is on the drawing board to extend the system's support to salinity management, water trading, support for regional variation, and other business areas.

Prophecy and the Department are working closely to systematise management and operational procedures that have developed over many years of manual operation.

Prophecy's highly flexible e-Foundation Framework product will significantly support this work so that complex water management and control arrangements can be expressed in the system.



Top African Oracle partner selects basis2

BPLC have now signed as our basis2 partner for Africa.

BPLC is a certified Oracle E-Business and technology partner in Europe, Middle East and Africa (EMEA). They have completed 9 E-Business Suite implementations and are also Oracle's education partner of choice for Africa and Europe. With 30 plus staff BPLC have already identified three basis2 prospects and the list is growing.

The BPLC consultants have an extensive knowledge of the Oracle E-Business applications and technology suite and are in the process of acquiring the same knowledge for the basis2 applications.

Barry Stocks - BPLC MD is spending time with Prophecy Europe running through the basis2 architecture, marketing materials, our Oracle pitch and approach so he can go back home and tackle Oracle in his region to garner even more support.

BPLC join Imass and AS Aprote as basis2 partners and in the future they will network to support each other in opportunities and projects as and when required.

Velatte update

Velatte development is progressing very well with the team developing three separate applications for testing/demonstrating/verification purposes. The aim was not to develop complete applications, but the results were functionally rich in the areas covered.

Distribution system

- Major design areas: Customer details, Product, Order and Supplier details
- Maintain inventory of stock
 - Customer maintenance
 - Enter customer purchase orders
 - Maintain customer orders

A procurement system is being built to demonstrate how to redevelop a part of the complex ProphecyOpen procurement system. Major design areas are Product details, Customer details, Order and Receipt.

A Courts and Justice system application was chosen for the complexity of its data model, rather than its functionality. The exercise proved that Velatte can handle a large model with complex associations.

Major design areas: Incident report, Person details, Charge details and Outcome.

The team's main focus now will be on further developing the User Interface.

Velatte is a development environment used to create applications and therefore is only as good as the applications it creates.

Velatte can develop systems such as the ones mentioned above in a fraction of the time it would take a whole team of programmers to do. Therefore each application that is created with Velatte is another step on the road towards proof of concept and using the system in a live design setting.

Dean Seeks Large Fields for basis2

There have been three new staff join Prophecy since the last issue of Insight. The first was the appointment of technology industry veteran Dean Littlefield as Chief Executive for basis2.

Dean, who will have a strong focus on export opportunities for basis2, has previously held leadership roles at companies including Empower and AAPT Telecommunications.

With a career in the IT and telecommunications industries spanning three decades, Dean has held executive positions with leading companies including Olivetti, ICL, Hewlett-Packard and Tandem Computers.

As well as a comprehensive knowledge of the Australian IT industry, he has worked in London, San Francisco and extensively throughout Asia.

Prophecy set to fly high

Paul Garner joined just after Dean as Group Marketing Manager.

Paul started his working life as an aircraft mechanic and amateur pilot and then made a change into marketing after several years.

"Prophecy gives me the rare opportunity to undertake an international marketing role in a listed company based in Adelaide," said Paul, a South Australian who previously held a senior marketing role in a Sydney technology firm. "After university, I chose to pursue a marketing career in the ICT innovation industry. Prophecy is a global company with the resources, the products and the commitment to make a real impact on the business software market."

US Utility expert

We welcome a new member of the Americas team, Korlin Tanner. He's just joined us as a Senior Analyst for basis2.

Graduating from Weber State University in 1989 with a Masters degree in Accounting with an emphasis in corporate tax he worked for Ernst & Young for 3 years as a senior tax consultant before taking a position as controller for a software development company in the Salt Lake City, UT area.

During the past 15 years he has worked with two other business systems and utility billing software companies in the roles of implementations, presales and partner management.

Korlin is excited to be with Prophecy in the US selling such a feature rich solution as basis2. He has been very impressed by the basis2 solution and the quality of people at Prophecy. "With Prophecy's experience and the Oracle e-business technology, I believe basis2 has a bright future in the US utility market."

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