

## PHOTOBUCKET AND ONTELA ANNOUNCE AGREEMENT TO MERGE OPERATIONS

*Combined Company to Leverage Photobucket's 22 Million Users,  
Ontela's Leading Edge Software and Wireless Carrier Partnerships*

**Denver, CO and Seattle, WA – December 16, 2009** – Photobucket.com, Inc., one of the Web's top photo sites, and Ontela, Inc., the leading provider of award-winning imaging services for wireless carriers, today announced an agreement under which the two companies will merge their operations.

The combined company, which will be known as Photobucket Corporation, will leverage the assets of two of the online photo industry's leading players. The combination will bring together Photobucket's massive audience of more than 22 million users in the U.S. with Ontela's leading-edge software that is currently in use on more than 30 wireless carriers, including Verizon and T-Mobile. Photobucket will leverage Ontela's wireless carrier relationships to provide distribution and consumer access to more than 140 million wireless subscribers, while Ontela will drive uptake of its mobile applications by capitalizing on Photobucket's brand and highly active user base.

News Corporation, which acquired Photobucket in 2007, will hold a significant equity stake in the combined company and will be represented on the company's board of directors. The Photobucket management team will continue to operate the business and play strong leadership roles in the combined company.

Tom Munro, Ontela's chief financial officer, who will become president of the combined company said, "We are pleased to bring together these two dynamic companies that are at the leading edge of the explosion of content sharing in the digital photography space. We believe Photobucket's vast consumer audience and content leadership – and the talented team of professionals who have driven the business – complements and brings great promise to Ontela's technology leadership in mobile photo sharing applications."

Jon Miller, chairman and CEO of Digital Media for News Corporation, who will serve as a director of the combined company, said, "In partnering with Ontela and its investors, we are able to maintain and expand our strong foothold in the online imaging category. As consumers evolve the ways in which they capture, consume and share their photos and video across multiple devices, there couldn't be a more perfect partner for Photobucket to align with as it enters this new chapter."

Photobucket is one of the largest standalone photo sites in the world. More than 11 million photos, graphics, and videos are uploaded to Photobucket every day and the site serves more than 100 billion images each month.

Ontela is the leading provider of services that get pictures off camera phones. Ontela's proprietary technology automatically uploads pictures from phones, solving the last remaining problem with mobile photography – getting at the pictures. Ontela's technology has been certified by 30 operators, including Verizon, T-Mobile, and Alltel on more than 100 handsets. It also is available preinstalled on devices from all five of the top global handset manufacturers.

Ontela's investors will make an additional capital commitment as part of the merger and will hold significant equity positions in the combined company.

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**About Photobucket**

Photobucket (<http://www.photobucket.com>) is the premier standalone photo and video sharing site, with over 22 million monthly unique users\* around the world linking billions of personal photos, graphics, slideshows and videos daily to hundreds of thousands of Web sites, including Bebo, Blogger, Craigslist, eBay, Facebook, Friendster, Hi5, MySpace, Orkut, Xanga and many others. In addition to linking content, Photobucket users share their personal digital media by email, instant messaging, and mobile devices. Every day, over 11 million personal photos, graphics and videos are uploaded to Photobucket for sharing with family, friends and the online world. The company actively moderates content to create a safe environment for its users, partners and advertisers. Photobucket has offices in San Francisco, California and Denver, Colorado and is located online at <http://photobucket.com>. For the latest feature announcements and news, please visit the Photobucket blog at <http://blog.photobucket.com>.

\*comScore Media Metrix, November 2009

**About Ontela**

Ontela provides technology infrastructure to wireless carriers that allows consumers to unlock the photos in their camera phones. Ontela technology has been certified by 30 operators including Verizon, T-Mobile, and Alltel on more than 100 handsets. It is also available preinstalled on devices from all five of the top global handset manufacturers. Ontela is headquartered in Seattle and is backed by Steamboat Ventures, Covera Ventures, Voyager Capital, and Oak Investment Partners. For more information, visit [www.ontela.com](http://www.ontela.com).

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