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Microsoft Dynamics Deepens Industry Investments

New acquisition, industry investments and ISV solutions certification reiterate balanced approach to delivering industry-relevant software.

SAN DIEGO — March 13, 2007 — Today at the annual conference for Microsoft Dynamics™ customers, Convergence 2007, Microsoft Corp. deepened its ongoing commitment to delivering industry-relevant software. In support of this strategy, Microsoft announced an investment across five industries — manufacturing, distribution, retail, services and public sector — combined with a new independent software vendor (ISV) solutions certification designed to identify the top 500 ISV solutions that meet the highly specialized needs of particular industries.

“We continue to deliver software that is industry-relevant,” said Tami Reller, corporate vice president, Business Solutions Marketing Group at Microsoft. “With deep investments in five targeted industries combined with an extremely broad ecosystem of more than 3,000 ISV solutions, customers can get industry solutions that support their business vision, and partners get a richer platform on which to build.”

To deliver on this industry investment, Microsoft is evolving the Industry Builder program and announcing Microsoft Dynamics Industry Solutions, focused on delivering solutions in manufacturing, distribution, retail, services and the public sector. “The Industry Builder program went so well that we decided to increase our level of investment and are introducing Microsoft Dynamics Industry Solutions,” said Reller.

The Microsoft Dynamics Industry Solutions program will encompass the current Industry Builder program as well as other new initiatives. Industry Builder program members have the

option to make the transition into the new Microsoft Dynamics Industry Solutions program, and it is anticipated that most will make that change by July 1, 2007. For Industry Builder members, the new program offers significantly improved benefits and revenue opportunities, and for customers, tightly integrated industry modules that will ship simultaneously with core Microsoft Dynamics releases and service packs.

As a part of this new program, Microsoft today announced Microsoft Dynamics Industry Solution for Lean Enterprises that will expand the core functionality of the Microsoft Dynamics AX solution. This expansion via a code acquisition from eBECS Ltd., a privately held company that delivers a complete lean enterprise solution, will enable customers to optimize processes and better connect and integrate the entire supply chain, from the customer to the supply partners, to support demand-driven operations. Microsoft Dynamics Industry Solution for Lean Enterprises will be available to customers as a separate module as part of the Advanced Management edition of Business Ready Licensing by the end of calendar year 2007, initially in English only. Microsoft plans to integrate the acquired code into the next release of Microsoft Dynamics AX and have it localized for all Microsoft Dynamics AX languages.

Also in support of Microsoft Dynamics Industry Solutions, earlier this year Microsoft announced a strategic alliance with Tyler Technologies, a leading provider of information management software for the public sector. Tyler and Microsoft will jointly develop public sector accounting features for Microsoft Dynamics AX.

Enhancements from the lean software acquisition and Tyler Technologies can stand alone as complete solutions; however, they also provide increased business opportunities for ISVs and resellers to deliver deeper specializations for customers that require them.

To further facilitate the selection of Microsoft Dynamics' ISV solutions, Microsoft announced Certified for Microsoft Dynamics. This ISV solutions certification helps customers with the evaluation and selection process by identifying ISV solutions that have been tested by a third party to meet compatibility standards with Microsoft Dynamics software and that are being used by other customers in the marketplace.

For ISVs with proven solutions, this certification provides an opportunity to expand their market reach and sales potential.

"We are excited to be participating in the Certified for Microsoft Dynamics initiative," said Brandon Taylor, vice president of product strategy and development at Serenic Corp., a developer of nonprofit, local government, human resources and payroll solutions for Microsoft Dynamics NAV. "The certification provides us a mechanism to differentiate our solutions within the marketplace by making an explicit statement that our solutions conform to stringent guidelines defined for Microsoft Dynamics solutions. Both our customers and prospects will have the comfort and assurance of knowing that they are making a safe investment in Serenic."

"We anticipate that the efforts put forth by Microsoft in the creation and administration of this initiative will reiterate the best-of-class solutions that Microsoft and its ISVs bring to the market," said Julie West, president and chief operating officer of WennSoft, an early participant in the Certified for Microsoft Dynamics initiative. "The combination of world-class business applications with robust, industry-focused solutions, Certified for Microsoft Dynamics will offer both customers and resellers new opportunities to take their businesses and operations to a new level."

Customers from all industries investing in Microsoft Dynamics benefit from these investments, since this approach reduces the need for customized programming to deliver a solution tailored to an industry.

About Microsoft Dynamics

Microsoft Dynamics is a line of financial, customer relationship and supply chain management solutions that helps businesses work more effectively. Delivered through a network of channel partners providing specialized services, these integrated, adaptable business management solutions work like and with familiar Microsoft® software to streamline processes across an entire business.

About Microsoft

Founded in 1975, Microsoft (Nasdaq “MSFT”) is the worldwide leader in software, services and solutions that help people and businesses realize their full potential.

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