

**For Release 8:30 a.m. CST
March 27, 2006**

Microsoft Dynamics CRM 3.0 Expands Customer Choice With New Hosting and Connector Initiatives

Microsoft delivers new hosted CRM edition to its global partner network and announces broad application integration initiative.

DALLAS — March 27, 2006 — At Convergence 2006, the Microsoft Business Solutions Group's customer conference, Microsoft Corp. today announced that Microsoft Dynamics™ CRM is introducing new programs for hosted CRM and real-time integration. These programs include a new Microsoft Dynamics CRM Professional Edition for Service Providers as well as prepackaged connectors designed to give customers more choice and flexibility in the deployment of CRM technology across their businesses. These are being delivered through the Microsoft® global network of hosting and solution delivery partners:

- The Microsoft CRM team is delivering a new version of its full-suite Professional Edition that is enhanced for deployment in hosted environments. The new product will be deployed by hosting partners around the world; these partners will deliver hosted Microsoft CRM directly to end customers or through ISVs, VARs and other partners. This supports Microsoft's goal of enabling hundreds of regional and vertical on-demand CRM businesses to develop rapidly around the world.
- The Microsoft CRM team is introducing a range of prepackaged connectors and templates for delivering real-time connections with Microsoft Dynamics ERP products as well as third-party CRM and ERP applications such as those from Siebel Systems Inc., SAP AG and Oracle Corp. These connectors will be delivered over the next 12 months, starting immediately with an updated connector to Microsoft Dynamics GP.

These programs are being delivered through Microsoft global network of hosting and solution delivery partners. Details on these programs are provided below.

“Businesses today need fast and convenient options for how and where they deploy CRM solutions,” said Brad Wilson, general manager for Microsoft Dynamics CRM at Microsoft.

“Microsoft delivers CRM that works the way you do, whether it’s deployed in a hosted environment, an on-premise environment or a hybrid environment. With our new hosted CRM and application integration initiatives, we are taking further steps to expand customer choice and help minimize the risks of successful CRM deployment and adoption.”

New Professional Edition for Service Providers Delivers Hosted Microsoft CRM Through Worldwide Partner Network

Microsoft has introduced a new Professional Edition for Service Providers to simplify deployment and operation of Microsoft CRM in hosted environments. The new edition provides hosting extensions to the Professional Edition of Microsoft CRM 3.0 and offers the same functionality, flexibility and choice of client user interfaces through a hosted or hybrid deployment model. Easy migration between on-premise and hosted environments is assured by sharing the same code base, business logic and data model as Microsoft CRM on-premise solutions. Customers can choose the deployment option that fits their short-term needs — whether hosted, on-premise or some combination of the two — while maintaining their ability to change their deployment options as their business and IT needs change.

Solutions based on Microsoft CRM 3.0 Professional Edition for Service Providers maximize choice and flexibility for business decision-makers and IT professionals by providing these benefits:

- **The same rich set of user interface options as offered by the on-premise version of Microsoft CRM.** These options include delivery of roles-based CRM capabilities via Microsoft Outlook[®] as well as via a zero-footprint browser client.
- **Flexible deployment options for deploying all or parts of a Microsoft CRM solution as an on-premise or hosted application.** Unlike hosted-only vendors or vendors whose hosted and on-premise solutions are based on radically different

technologies, Microsoft delivers a solution that gives customers a real choice over time.

- **Extensive configuration and customization capabilities.** By basing their hosted solutions on Microsoft CRM, partners can deliver highly tailored solutions for different regions, vertical industries and company sizes.

The new Professional Edition for Service Providers is available worldwide to partners in the Microsoft Hosting Program. Partners that have committed to delivering solutions based on the new edition include Avanade, Avnet Inc., Data Return LLC, Echopass Corp., Genesys Telecommunications Laboratories Inc., NaviSite Inc., OneNeck IT Services Corp., Philippine Long Distance Telephone Co., Streamline Solutions, TDC Hosting A/S and Telecom Italia SPA. In addition to delivering CRM solutions directly to customers, Microsoft CRM hosting partners will be delivering CRM hosting services to other Microsoft CRM partners around the world, including ISVs and VARs.

Customers are already seeing the benefits of hosted Microsoft CRM. For example, CBH Consultants Inc. recently deployed hosted Microsoft Dynamics CRM 3.0 in a matter of hours.

“As CBH grows in the marketplace, providing world-class business intelligence and performance management solutions, we really felt that a hosted deployment would give us the flexibility to grow and meet our customers’ needs,” said Myron Weber, chief technology officer for CBH. “The choice of deployment options given to us by Microsoft Dynamics CRM 3.0 confirmed for us that this was the platform we needed to get to. It was not only quick to deploy, but also was the right choice for our business to reduce our upfront costs and get the reliance and service levels that we demand.”

Microsoft industry partners and solution providers also have shown tremendous enthusiasm for the new Microsoft CRM Professional Edition for Service Providers, such as Streamline Solutions (<http://www.streamsol.com>), a Microsoft Certified Partner and solution

provider with competencies in advanced infrastructure solutions and Microsoft CRM that is already providing hosted Microsoft CRM to customers that include CBH Consultants and Data Reduction Systems Corp.

“The interest from our customers around hosted Microsoft Dynamics CRM has been overwhelming,” said Lance McLean, president of Streamline Solutions. “Two of the biggest pitfalls in CRM implementations are user acceptance and lengthy deployments. With hosted Microsoft CRM, our customers get the best of both worlds: a hosted Microsoft CRM offering that not only uses Microsoft Outlook as the client, but can be up and running in hours.”

“Our business model is built upon a close partnership with systems integrators: they do business consulting and application customization, we provide expert skills to host applications,” said Claus Bo Nielsen, director of sales at TDC Hosting, a Microsoft partner based in Denmark that delivers a wide range of outsourcing and hosting services. “Choosing to host Microsoft Dynamics CRM was a perfect business opportunity for us. It enables us to broaden our SI partnerships and add even more value for our customers because now they are easily able to introduce Microsoft CRM into their organization without the pain of setting up or managing the application. It’s just a ‘click-and-work’ scenario for them.”

Data Reduction Systems (DRS, <http://www.drscorp.com>), a leading provider of cross-industry information management solutions, is taking advantage of hosted CRM to develop solutions for the life sciences industry.

“The tight integration between Microsoft Dynamics CRM 3.0 and PharmaSync successfully enables pharmaceutical and biotech companies to comply with the PDMA* — specifically, with the need for digital signature capture to keep track of prescription drug samples,” said Rick McQuade, president and CEO of DRS. “With our and Microsoft’s integrated

products and our ability to offer hosted Microsoft CRM through our hosting partner, we are not only able to provide our customers the ability to comply with federal laws and effectively manage field sales force activity for optimum performance, but also give them more flexibility and a true choice in deploying a CRM solution within their organization.”

Microsoft CRM Professional Edition for Service Providers is available immediately and is delivered through the Microsoft Services Provider License Agreement (SPLA) program. Microsoft provides guidelines to assist customers in the selection of hosting partners for Microsoft CRM around the world; more information is available at <http://www.microsoft.com/crm>.

Microsoft Dynamics CRM Accelerates Real-Time Connectivity Across Applications

To simplify the process of connecting Microsoft CRM to other ERP and CRM applications, Microsoft also announced today a broad application integration initiative to deliver prepackaged connectors and connector templates to customers and partners. These new solutions leverage Microsoft CRM’s Real-Time Integration Framework and are designed to streamline and accelerate the integration of data and process flows between Microsoft CRM and other packaged and custom applications.

The new connector initiative includes the following:

- **Prebuilt connectors for ERP applications** are provided within the Microsoft Dynamics family, which includes Microsoft Dynamics GP (formerly Microsoft Business Solutions–Great Plains[®]), Microsoft Dynamics NAV (formerly Microsoft Business Solutions–Navision[®]) and Microsoft Dynamics AX (formerly Microsoft Business Solutions–Axapta[®]).
- **Integration with Siebel CRM systems** via BizTalk[®] Server allows businesses to extend the value of their existing Siebel system by deploying Microsoft CRM on the desktop and synchronizing information with Siebel servers.
- **Connector templates** for integrating Microsoft CRM with a broad range of third-party ERP applications via BizTalk Server. Microsoft CRM provides a standard connector to BizTalk Server that defines the data mappings and process flows into

and out of the Microsoft CRM systems. This connector, together with packaged application adapters delivered as part of the BizTalk Server platform, delivers connectivity to third-party applications such as those from SAP, Oracle, PeopleSoft and others. It also forms the basis of BizTalk Server-based adapters between Microsoft CRM and custom or legacy applications.

“Businesses of all sizes need to integrate systems as well as automate and optimize business processes,” said Steven Martin, director of product management for BizTalk Server at Microsoft. “BizTalk Server and Microsoft Dynamics CRM give companies the ability to integrate data and processes across different applications and gain real-time understanding of their business.”

The Microsoft CRM product group continues to work closely with third-party partners that deliver connectivity solutions to these and other applications. These partners include Neudesic LLC, Nolan Computers plc and Scribe Software Corp.

The Microsoft CRM adapter to Microsoft Dynamics GP is now available. The connectors to Microsoft Dynamics NAV and Microsoft Dynamics AX are scheduled for the first quarter of 2007. The standard Microsoft CRM connector to BizTalk Server and the integration with Seibel CRM systems are scheduled to be available in the third quarter of 2006.

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.

#####

* Prescription Drug Marketing Act (PDMA)

Microsoft, Microsoft Dynamics, Outlook, Great Plains, Navision, Axapta and BizTalk are either registered trademarks or trademarks of Microsoft Corp., Microsoft Development Center Copenhagen ApS or their affiliates in the United States and/or other countries. Microsoft Development Center Copenhagen ApS is a wholly owned subsidiary of Microsoft Corp. The names of actual companies and products mentioned herein may be the trademarks of their respective owners.

For more information, press only:

Umran Hasan, Waggener Edstrom Worldwide, (503) 443-7000,
umranh@waggeneredstrom.com

Rapid Response Team, Waggener Edstrom Worldwide, (503) 443-7070,
rrt@waggeneredstrom.com

Note to editors: If you are interested in viewing additional information on Microsoft, please visit the Microsoft Web page at <http://www.microsoft.com/presspass> on Microsoft’s corporate information pages. Web links, telephone numbers and titles were correct at time of publication, but may since have changed. For additional assistance, journalists and analysts may contact Microsoft’s Rapid Response Team or other appropriate contacts listed at <http://www.microsoft.com/presspass/contactpr.msp>.