

News Press Release

Revenue Growth in Analyst Reports Signals Momentum for Microsoft BI

CompUSA, LendingTree attest to growing market opportunity for partners and customers.

Editors' Update, Nov. 10, 2006 – The third and fifth paragraphs of this release have been updated to add additional detail

REDMOND, Wash. — Sept. 22, 2006 — Microsoft Corp. today announced that Gartner's "BI Platforms Market Share, Worldwide, 2005" report, published this week, documented a 35.9 percent revenue growth rate for Microsoft Corp.'s business intelligence platform in 2005. This underscores the strong momentum that Microsoft's BI offering is experiencing. This same increasing growth trend by Microsoft is documented in a number of recent analyst reports and combines with various technology milestones to paint a picture of robust momentum around Microsoft's BI solution.

"Our ongoing BI investments are enabling a transformation of the way people interact with important business information," said Jeff Raikes, president of the Microsoft Business Division at Microsoft. "We continue to evolve our solution set, recently rounding it out with an integrated performance management application, such that our offering will provide customers with a complete, flexible and cost-effective BI solution, one that enables truly pervasive BI across the enterprise."

In July's IDC report, "Worldwide Business Intelligence Tools 2005 Vendor Shares," Microsoft's BI tools revenue growth was more than twice that of the other leading database management systems (DBMS) and legacy pure-play BI vendors. Microsoft also ranked No. 1 in The OLAP Report's annual OLAP Survey and in revenue growth in IDC's preliminary relational database management system vendor share report for 2005. Additionally, Microsoft ranked No. 1 in revenue growth among commercial vendors in Gartner's "Market Share: Relational Database Management Systems by Operating System" report (May 23, 2006, Colleen Graham).

Business intelligence enables companies to access and use the vast amounts of data they own to drive better business performance. Organizations that have access to the right information at the right time make better decisions. Today, however, businesses are challenged with deploying broad and effective BI solutions due to high costs of implementation and training, and the complexity of current BI tools for information workers.

In addition to the strong revenue growth and top rankings on various analyst reports, a number of other recent milestones serve to paint a more complete picture of the increasing traction Microsoft® BI is making in the business intelligence industry. These include the following:

- Microsoft is positioned on the line between the Leaders and Challengers quadrants, on Gartner's 2006 Magic Quadrant for Data Warehouse Database Management Systems.* (September 12, 2006, Donald Feinberg, Mark Beyer.)
- Microsoft ranked among the top three vendors in revenue growth in IDC's "Worldwide Data Warehousing Tools 2005 Vendor Shares" report.
- Microsoft SQL Server™ revenue grew 35 percent year over year in the fourth quarter of fiscal year 2006. [More information is available.](#)
- Microsoft expanded its BI capabilities with the launches of SQL Server 2005 and Microsoft Office Business Scorecard Manager in November 2005.
 - [Find more information about the launch of SQL Server 2005.](#)
 - [Find more information about the launch of Office Business Scorecard Manager.](#)
- Microsoft enhanced its analytic capabilities with the acquisition of ProClarity Corp. in April. [Read more about the acquisition.](#)
- Microsoft will further establish itself in the performance management space and enhance its BI offering with the upcoming launches of the 2007 Microsoft Office system and Microsoft Office PerformancePoint Server 2007. [More information about those launches.](#)

Microsoft's partners and customers are also attesting to the strong momentum around Microsoft's BI offering. According to Microsoft global BI partner Fujitsu Consulting, its customers are experiencing great success with the solution through the enablement of pervasive BI.

"We are heavily invested in Microsoft's BI solution," said Jay Lendl, vice president of the Microsoft National Practice at Fujitsu Consulting. "We are witnessing huge momentum and customer interest in the offering, and we only see this trend continuing with the strong product road map Microsoft has announced. Through low per-user price points and by providing easy-to-use productivity tools in a complete suite of integrated products, Microsoft is enabling our customers to deploy BI solutions that enable everyone from financial analysts to employees who don't realize they're using BI."

Similarly, Microsoft BI customer CompUSA Inc., which is in the process of upgrading from SQL Server 2000 to SQL Server 2005 and uses ProClarity® analytics and Office Business Scorecard Manager, is realizing efficiencies with its store performance metrics.

"Our use of Microsoft's BI products continues to grow, and we're excited about the direction Microsoft is taking, particularly the vision of providing one common platform for business intelligence," said Dennis Naherny, director of Enterprise Reporting for CompUSA. "We've deployed ProClarity analytics in our corporate office and in each of our retail stores. We're using SQL Server Reporting Services for highly formatted operational reporting and we plan to implement SQL Server Report Builder to bridge the gap between IT and business users. As Microsoft has added more highly integrated products to its BI suite, we will continue to grow our BI implementation to achieve greater results through increased insight into our individual store performance and overall business."

LendingTree LLC, another Microsoft BI customer, has achieved similar successes with the solution.

"LendingTree is in financial services, so it's critical that our data is timely and accurate," said Michael Brady, CIO of LendingTree. "There can't be any questions about data quality. We are managing huge quantities of data that are rich and complex and our BI solution must be both highly flexible and highly scalable. Microsoft and ProClarity are enabling us to have a view of our data that was impossible with our previous data warehousing and analysis solution. With Microsoft Business Intelligence our business is able to gain significant insight into our data, enabling employees to make great decisions on how to grow the business."

More information about Microsoft's complete and integrated BI solution can be found at <http://www.microsoft.com/BI/default.aspx>.

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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Additional Partner and Customer Support for Microsoft BI

Partners

"We are seeing a surge in deployments of Microsoft's BI solution from our customers. They are finding that they can enable BI throughout their organizations by expanding their Microsoft BI footprint only minimally, building on the investments in Microsoft that they've already made. We are also seeing our customers replace their BI pure-play solutions with Microsoft's solution, for no more cost than what they used to pay for the BI pure-play vendors' annual maintenance fees alone. With the Microsoft BI solution, they report overall cost savings and high user acceptance rates because employees are able to access, share and collaborate using the familiar interfaces of Word, Excel®, SharePoint® and Outlook®."

- Philip Morris
Founding Partner
Mariner LLC

"The sheer activity that we have seen in our customer base around Microsoft BI confirms that Microsoft has the right strategy for addressing customer needs. The Microsoft BI solution is one of the most comprehensive end-to-end BI product offerings available in the market, providing an integrated solution working on a common business metadata/semantic model. With a host of presentation delivery models and advanced BI features, it suits enterprise users at all levels, from operational to analytical. Our customers receive the maximum return on their investment on one single platform and provider."

- Sayinath A.G.
Global BI Practice Head
Sonata

Customer

"Using Microsoft's BI offering, we are able to offer our customers a new level of service. Specifically, the combination of SQL Server Integration Services and SQL Server Reporting Services helps our customers analyze execution on the store level rather than at the chain level. We now have store-level data to enable our customers to even more precisely meet their goals. We are also better able to gauge the impact of our field representatives and quantify the effectiveness of promotional campaigns by store."

- Charlie Orndorff
Vice President, Infrastructure Services
CROSSMARK