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Microsoft, whose software is widely held to power more than 90% of all the world's personal computers, has been a leader in the wave of personal computing innovation that has created new opportunity, convenience, and value over the past three decades. During that time, it has created many new products, added new lines of business, and expanded its operations worldwide. Microsoft's corporate mission is to enable people and businesses throughout the world to realise their full potential.

Offerings and Values

Microsoft prides itself on providing software and services that help people communicate, do their work, be entertained, and manage their personal lives. Over the past 31 years of Microsoft's lifetime, innovative technology has transformed how people access and share information, changed the way businesses and institutions operate, and made the world smaller by giving computer users instant access to people and resources everywhere. Microsoft's business continued to grow in 2005, increasing its total revenue by US\$2.95 billion, or 8% year-on-year, to US\$39.79 billion.

Yet Microsoft's mission extends beyond making and selling products for profit. Through its business activities and community support,

it aims to leave a lasting and positive impression on the communities and society in which it works. Years ago, it was convinced that its original vision of 'a PC in every home' could change lives. It remains convinced of the broad and positive power of giving people better technology. It takes corporate responsibilities seriously, and in its interactions with its employees, customers, partners, suppliers and the communities where it works, it aims to reflect its broader awareness and ambitions.

Today, Microsoft is the largest contributor in the high-tech industry and the third-largest among all businesses in the US. Annually, Microsoft donates more than US\$47 million in cash and US\$363 million in software to non-

profit organisations throughout the world. In the UK, Microsoft gives to a range of major charity projects both financially and through the donation of software. Charities including NSPCC, Childnet International, Leonard Cheshire, AbilityNet and Age Concern have all benefited from Microsoft's giving programme.

Bill Gates and his wife Melinda, who have three children, are also known for their charitable work. As well as investing millions in research for an AIDS vaccine, their foundation has established a scholarship scheme to enable the brightest students to go to Cambridge University. The Bill and Melinda Gates Foundation is currently working on a global health programme in the developing world.



Innovations and Promotions

Microsoft believes that delivering breakthrough innovation and high-value solutions through its integrated platform is the key to meeting customer needs and to its future growth.

2004 saw Bill Gates deliver Microsoft's vision of digital entertainment anywhere, unveiling Windows XP Media Center Edition 2005, and showcasing a variety of sleek new computer designs, portable media devices, and digital content services.

In a step towards that vision, May 2005 saw the launch of Windows Mobile 5.0, the newest instalment of Microsoft's software for mobile devices, designed to power a new generation of phones, personal digital assistants and media players for people who want to customise devices to fit their needs.

In the same month, Microsoft launched Xbox 360, its 'future-generation' video game and entertainment system designed to place gamers at the centre of the experience. Xbox also enables gamers to link up and play against each other through Xbox Live.

Microsoft's marketing has come a long way since it kicked off its first television advertising campaign in 1992.

Now no stranger to high-profile launches, Microsoft linked up with MTV Europe to showcase the Xbox 360 game system. Elijah Wood, Scarlett Johansson, The Killers and Snow Patrol hosted a half-hour star studded European premier of the new product with performances

from The Killers and Snow Patrol airing exclusively on MTV channels across Europe.

Windows Vista™, the next generation of the Windows® client operating system, will be launched towards the end of 2006 and will continue to deliver on Bill Gates' vision of digital entertainment everywhere. Every day, millions of people around the globe rely on their Windows-based PCs to manage the increasing amounts of digital information in their lives. While the tools currently used for managing this information are powerful and familiar, Windows Vista aims to cut through all the clutter. Today's digital generation will be able to explore entertainment such as TV and music and stay connected to people and information on their Windows Vista-based PC safely and easily.

Market Context

Microsoft is a worldwide leader in software, services and solutions designed to help people and businesses realise their full potential. It generates revenue by developing, manufacturing, licensing and supporting a wide range of software products for many computing devices. Its software products include operating systems for servers, personal computers (PCs) and intelligent devices; server applications for distributed computing environments; information worker productivity applications; business solutions; and software development tools.

Things you didn't know

The Windows 95 launch was set for August 24th because it had never rained in Redmond, WA during that week in recorded history. It sold more than one million copies in the four days following its launch.

In 1990, kicking off its 15th anniversary celebration, Microsoft became the first personal computer software company to exceed US\$1 billion in sales in a single year, with revenues of US\$1.18 billion.

In December 2004, Microsoft announced a commitment of US\$3.5 million in financial support for relief and recovery efforts in response to the Indian Ocean tsunami.

Microsoft provides consulting and product support services, and trains and certifies system integrators and developers. It sells the Xbox video game console and games, PC games, and peripherals. Online communication services and information services are delivered through its MSN portals and channels around the world. It also researches and develops advanced technologies for future software products.

Achievements and Future Prospects

Microsoft now does business almost everywhere in the world. It has offices in more than 90 countries, which are grouped into six corporate regions: North America (the US and Canada); Latin America (LATAM); Europe, the Middle East, and Africa (EMEA); Japan; Asia Pacific (APAC); and Greater China. It also has operational centres in Dublin, Ireland; Humacao, Puerto Rico; Reno, Nevada, USA; and Singapore. Microsoft believes that over the past few years it has laid the foundations for long-term growth by making global citizenship an integral part of its business, delivering innovative new products, creating opportunity for partners, improving customer satisfaction, putting some of its most significant legal challenges behind it, and improving its internal processes.



1975

Microsoft is founded in Seattle by two young men, one of whom was a college dropout.

1983

Microsoft Community Affairs – one of the first corporate giving programmes in the high-tech industry – is founded.

2005

Microsoft's founder Bill Gates is granted an honorary knighthood by Queen Elizabeth II. As an American citizen he cannot use the title 'Sir' but is entitled to put the letters KBE after his name. Now the world's wealthiest man, Bill Gates, is worth an estimated £28 billion.

2006

Gates announces that his foundation will donate US\$691 million towards life-saving vaccines for millions of children in poor countries.

