

Microsoft and Toshiba TEC Announce Global Alliance to Develop Next Generation Applications for the Retail Industry

Hannover, Germany – March 22, 2001 - Microsoft Corp. and Toshiba TEC today announced at the CeBIT fair a global alliance to provide the retail industry with next generation applications based on Microsoft .NET technologies. The cooperation represents a significant step forward in enabling the retail industry to offer consumers new ways of shopping by putting the Internet and mobile applications at the heart of a new range of services. The alliance will target customers in Japan initially and then extend to Europe and the US.

The alliance will provide retail companies, Independent Software Vendors and System Integrators with application software and software development tools, entitled WX.NET, based on Microsoft's .NET platform. These applications will be based on industry standards, such as XML and SOAP, and will provide retailers with low-cost, easy to implement solutions. These could range from an electronic order application via Pocket PCs to Internet-based tracking systems and high-end central merchandise management systems.

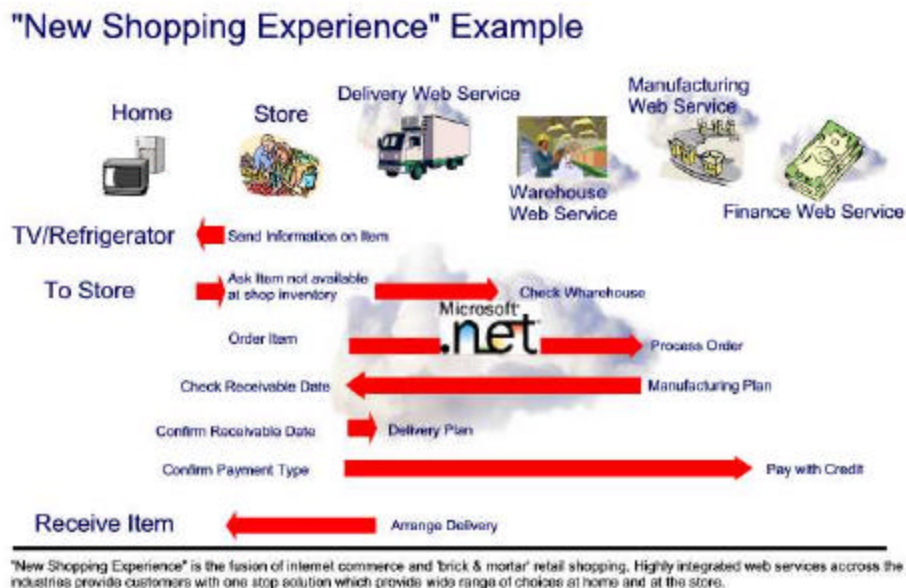
“WX.NET” consists of development tools and application parts, and assists the development of scalable and mission critical software using the Microsoft .NET framework. Toshiba TEC will also start application development support service, entitled ‘RetailS3’ (Retail Strategic Solution Service) for independent software vendors and system integrators to further promote the “New Shopping Experience” using the “.NET Framework”.

“To compete in today’s fast-changing digital economy, retailers need solutions to make their business agile – to enable them to change direction quickly, be more responsive to changing customer needs and maximize supply chain efficiency. This alliance represents a significant step forward in enabling the retail industry offer customers the next generation shopping experience, based on Microsoft’s .NET framework”, said Michel Annink, Retail Industry Manager, Microsoft Europe, Middle East and Africa.

“We are confident that our accumulated know-how in retail information systems will further be enriched with WX.NET which materializes our vision of customer satisfaction for the near future”, said Leon Leys, managing director of TOSHIBA TEC Europe Retail Information Systems.

What is “New Shopping Experience” with “.NET”?

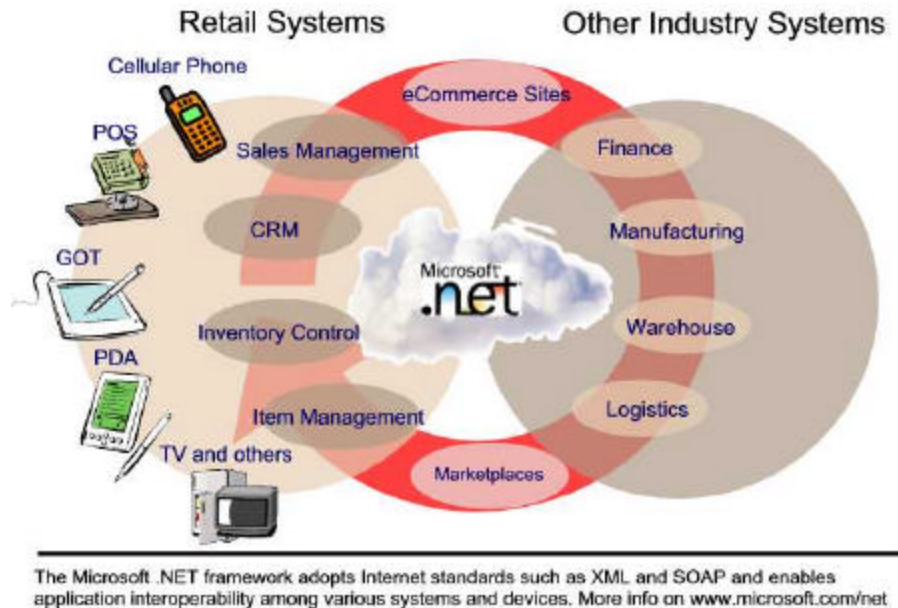
“New Shopping Experience” with “.NET” is a further expansion of conventional B2B and B2C commerce. It involves both data/process integration and application integration, which multiple web services can orchestrate as a single, unified system and so create the next generation shopping experience.



(1) Further Increase System Collaborations

The key success factor in developing retail systems is the integration of other industry systems such as

manufacturing schedules, delivery schedules and finance services. By adopting “.NET” technologies for the retail industry, the difference between a commerce site and a real store system will disappear: a company’s Point Of Sale terminal, for example, will be highly integrated with its internet catalogue service, delivery system and finance system, creating efficiencies for the retailer and a more compelling experience for the customer.



(2) Device Independency

“.NET” is device independent and will enable retailers to offer a unified shopping experience across multiple platforms: the same service provided at a store will also be available via digital TV and other electronic devices in the home. It will also be available via mobile phones and other mobile devices such as Pocket PCs.

Working Toward “New Shopping Experience”

Toshiba TEC

Toshiba TEC will establish dedicated R&D/Service/Sales organization as a part of software business on “.NET”.

(1) Middleware

By selling middleware as “WX.NET” and software development environment to independent software vendors, it offers an environment to develop mission critical system on “.NET Framework” easily. “RetailS3” as application development support service for system integrators and independent software vendor, enables not only adapting application system for retail industry and ASP service to “.NET” but also increasing system collaborations with other industry systems and accelerates expansion of “.NET” base application system.

(2) Application System

By developing application systems built on “WX.NET” and performing early product release to the market, Toshiba TEC will contribute to diffuse “.NET” base system as market leader.

(3) Service

Toshiba TEC will develop variation of service modules as “.NET” compliant application parts and provide them through ASP service and also sell them. These application parts are called “.NET Building Block” and developed with the experience of system development for retail industry such as “EFT Settlement Service”, “Customer Management System” and “Sales Management System”.

Microsoft

(1) Technical Support

Microsoft Corp. provides Toshiba TEC with technical support for application system development.

Expand “.NET” Partners

Microsoft Corp. will expand “.NET” partner network not only in retail industry but also in other industries .

ENDS

About Microsoft

Founded in 1975, Microsoft (Nasdaq “MSFT”) is the worldwide leader in software, services and Internet technologies for personal and business computing. The company offers a wide range of products and services designed to empower people through great software — any time, any place and on any device.

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