

PLAINTIFF'S
EXHIBIT

tabbies

3074

Comes v. Microsoft

From: Peter Boit
Sent: Wednesday, July 21, 1999 9:54 AM
To: Jeff Raikes
Subject: a look back

jeffr, here are some quick slides that mick roberts sent me as a "going away" present just to highlight what has happened in licensing over the past few years. It focuses on revenue numbers and customers but of course that is just part of the story(albeit an important one). I gave to Johncon and thought you may appreciate it too. It really hit home how we built something special for the company and we still have incredible promise and potential (as well as challenges) going forward with jona's great leadership. For example, EA as a program is not even two years old yet and it has already generated \$4.9bil for the company, much of it still to be recognized. It's been great to see the field really get behind something with support from busdesk.

I know I said thank you yesterday but looking at this, i have to say it again for the opportunity to be a part of something great.

peter

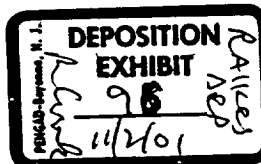
no response necessary

—Original Message—

From: Mick Roberts
Sent: Tuesday, July 20, 1999 12:56 PM
To: Peter Boit
Subject: 99 results



Volume Licensing
FY99 Summary...



MS-FCA 2014399
HIGHLY CONFIDENTIAL

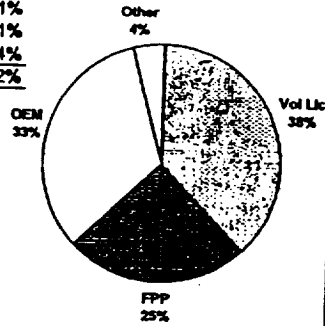
Volume Licensing

FY99 Results

MS-PCA 2014400
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FY99 MS Revenue

	FY99 Revenue	% Total	YOY Growth
Vol Lic	\$ 7,602,361,141	38%	33%
FPP	\$ 5,015,055,280	25%	1%
OEM	\$ 6,594,619,309	33%	31%
Other	\$ 848,236,649	4%	24%
Total MS Revenue	\$ 20,060,272,379	100%	22%

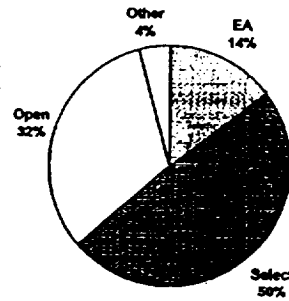


•Volume Licensing...

- contributes 38% of MS revenue
- makes up 60% of FG revenue
- has the largest year over year growth

FY99 VL Revenue

	FY99 Revenue	% Total	YOY Growth
EA	\$ 1,096,695,455	14%	287%
Select	\$ 3,744,788,939	49%	11%
Open	\$ 2,449,779,215	32%	33%
Other	\$ 311,097,532	4%	34%
Total VL Revenue	\$ 7,602,361,141	100%	33%



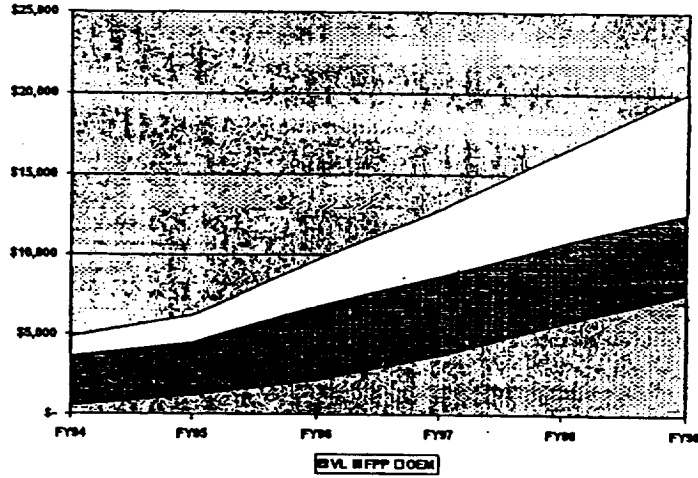
- EA revenue almost quadrupled
- Select makes up 50% of VL Revenue
- Open remains 1/3rd of total VL

VL Revenue Trend

	FY94	FY95	FY96	FY97	FY98	FY99	Total
EA	\$ -	\$ -	\$ -	\$ 13	\$ 283	\$ 1,097	\$ 1,393
Select	\$ 266	\$ 739	\$ 1,436	\$ 2,394	\$ 3,366	\$ 3,745	\$ 11,946
Open	\$ 59	\$ 327	\$ 627	\$ 1,160	\$ 1,840	\$ 2,450	\$ 6,464
Other	\$ 145	\$ 118	\$ 109	\$ 162	\$ 233	\$ 311	\$ 1,078
Total VL	\$ 470	\$ 1,185	\$ 2,173	\$ 3,729	\$ 5,722	\$ 7,602	\$ 20,880
YOY		152%	83%	72%	53%	33%	
% FG	13%	26%	32%	43%	53%	60%	
% MS	10%	19%	22%	29%	35%	38%	

- 6 year total is over \$20 Billion
- Annualized growth rate is 74.5%
- VL has grown to 38% of Total MS revenue
- VL has grown to 60% of FG revenue

Annual Revenue



Select / Open

	FY99 Select Revenue (000's)				FY99 Open Revenue (000's)			
	SPAR	EMEA	Asia	Total	SPAR	EMEA	Asia	Total
Office / Pro	1,030,393	825,186	173,945	2,129,524	610,441	536,901	223,498	1,369,840
NT Server / Cal	138,974	126,128	19,265	283,965	118,482	112,711	30,817	260,011
NTW	129,755	152,141	11,950	293,846	61,344	68,863	16,461	136,468
BackOffice Server / Cal	116,353	91,512	5,630	213,495	68,529	43,173	5,583	117,284
Project	113,968	73,157	5,421	192,536	33,412	20,440	3,506	57,360
Exchange Server / Cal	84,636	60,903	7,806	133,145	89,284	47,544	6,780	115,808
Windows	71,259	34,330	6,933	112,522	57,975	25,751	13,788	87,514
SQL Server / Cal	38,183	25,094	7,723	70,999	46,497	28,308	12,278	79,083
Other	157,815	132,983	24,580	315,158	87,101	83,767	45,723	216,610
Grand Total	1,861,124	1,620,413	263,252	3,744,789	1,136,064	954,279	360,436	2,449,779

	FY99 Select Agreements			
	SPAR	EMEA	Asia	Total
Expirations	1,240	814	272	2,326
New signed	1,589	1,035	396	3,020
% Gain	28%	27%	46%	30%
LORG Penetration	37%	19%	12%	24%

EA Summary

	# Billed	Desktops	Total Rev	Rev/Lic
FY97	13	733,361	\$ 426,530,170	\$ 175
FY98	281	2,763,174	\$ 1,468,298,337	\$ 175
FY99	1,053	4,919,542	\$ 2,958,568,477	\$ 199
Life to Date	1,347	8,416,077	\$ 4,853,396,983	\$ 189

•Total value to MS is \$4.85B, have recognized \$1.39B, net "receivable" of \$3.46B

•Amazing June, 211 Deals, 600K desktops, \$340 million to MS

	Account Penetration				Desktop Penetration			
	SPAR	EMEA	Asia	Total	SPAR	EMEA	Asia	Total
Strategic	35%	33%	12%	30%	32%	34%	2%	28%
Named	20%	11%	3%	13%	17%	12%	1%	13%
Breadth	9%	4%	1%	5%	12%	5%	1%	7%
Total LORG	12%	6%	1%	7%	21%	15%	2%	16%

NA EA Summary

Worldwide	# Billed	PCs	Total Rev	Rev/Lic
FY97	13	733,361	\$ 426,530,170	175
FY98	281	2,763,174	\$ 1,468,298,337	175
FY99	1,053	4,919,542	\$ 2,959,049,935	199
Grand Total	1,347	8,418,077	\$ 4,853,878,441	189

North America	# Billed	PCs	Total Rev	Rev/Lic
FY97	12	723,561	\$ 421,146,250	175
FY98	188	1,656,209	\$ 948,271,756	194
FY99	555	2,529,372	\$ 1,507,133,254	197
Grand Total	755	4,909,142	\$ 2,876,551,260	192

- For WW deals, total value to MS = \$4.85B, recognized \$1.39B, net "receivable" = \$3.46B
- For NA deals, total value to MS = \$2.88B, recognized \$0.84B, net "receivable" = \$2.04B
- Amazing June WW, 211 Deals, 600K desktops, \$340 million to MS
- Amazing June NA, 118 Deals, 340K desktops, \$198 million to MS