UNECE COMMITTEE ON ECONOMIC COOPERATION AND INTEGRATION

Fostering Wider and Deeper International Economic Integration in the UNECE Region

Microsoft^{*}

Microsoft Roots

- Support deeper and wider international economic integration
- It is in Microsoft DNA to create business for SMEs as part of a global Ecosystem
- Local innovative businesses are key for the evolution of Growth & Innovation
- Strategic Partnerships
- Virtuous circle between partners & customers on business/technology platform

A platform company working in interdependent partner Ecosystem







Microsoft value for its partners and economic integration

- In the 2007 worldwide IT employment, Microsoft Ecosystem has created 14.7 million jobs (42%)
- For every USD of Microsoft's worldwide revenue, \$7.79 are generated by other companies in the Microsoft ecosystem of hardware OEMs, software companies, and channel and service firms
- In 2008 the Microsoft Ecosystem will invest more than 91 billion USD in infrastructure, people, marketing and business development

(Source: IDC Study 2007)

IT investment drives productivity and revenue growth



Information Technology Capability

Superior information technology drives growth

Business Performance

Enterprises with better IT have:

 More productive employees

 More insight into and control over their business **Productivity**

Insight & Control

Productivity and Insight & Control foster growth

IT infrastructure and employee empowerment are key elements to employee productivity



Insight and control depends on strong operations and business systems and good IT management practices

From Keystone Strategy Inc. "Enterprise IT Capabilities and Business Performance

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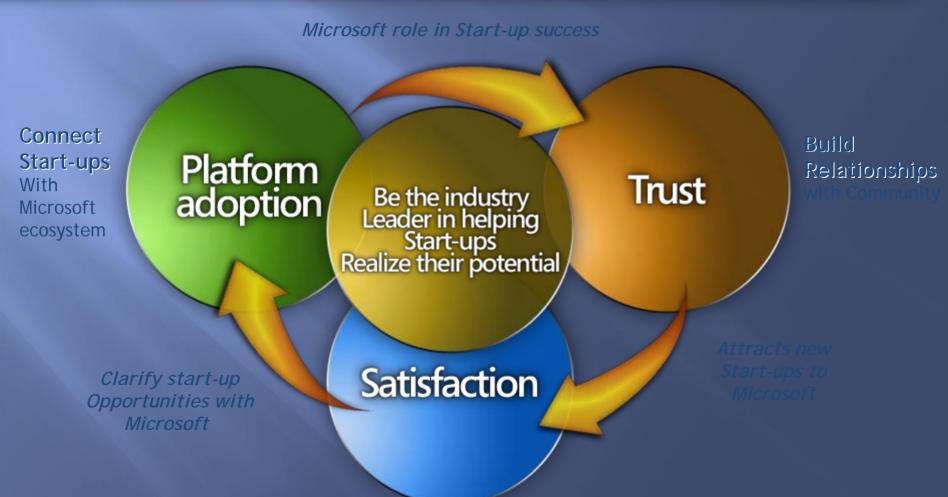
Emerging Business Team

- Drive mutually beneficial interaction with Investors, VCs, and startups.
- Engage through a portfolio management model
- Foster open, transparent, and predictable interaction
- Establish demonstrable financial value and go to market outcomes



Virtuous Cycle

Building Opportunities with Start-up community



Microsoft LSE Programs to support development at the international level

Student Job Enablement

- Educational opportunities that help fill growing demand for skilled IT pros and guide qualified workers to rewarding jobs
- Students to Business (S2B) program connects university students with Microsoft partners and customers to provide real-world experience in various ICT industry segments

Interoperability Labs

- Enable greater interoperability among software platforms, leading to competitive advantage for ICT companies
- MICs in Denmark, Germany, Brazil, Korea and elsewhere run Interoperability Labs involving partners, ISVs, and developers

Microsoft LSE Programs

Industry Clusters

- Bring together local software companies that share a common market
- Help members optimize resources, gain competitive advantage in delivering solutions that extend Microsoft .NET platform

ISV Quality Assurance

- Guides software developers and IT managers through the life cycle of a software engineering project
- Four stages: Training, Consultation, Assessment and Certification
- Program is based on Microsoft Solutions Framework principles, processes and practices

Microsoft LSE Programs

Venture Capital (VC) and Startup Engagement

- Guides ISV startups toward partnership and collaboration opportunities with Microsoft
- Access to technical, sales and marketing resources

ISV Royalty Licensing

- Helps ISV partners integrate their business software with Microsoft applications for commercial distribution
- 7,000+ ISVs integrated nearly 1.3 million
 Microsoft licenses worth USD\$103.1 million from
 July 2006-April 2007

Microsoft LSE Programs

IP Ventures

- Provides access to leading-edge Microsoft technologies for entrepreneurs, startups and corporations
- Encourages new business investments and economic growth

Microsoft Imagine Cup

- Annual technology competition challenges university and high school students to create solutions to pressing global issues
- More than 100,000 students from 111 countries are competing in 2007 Imagine Cup
- The top Software Design teams go on to Imagine Cup Innovation Accelerator, a two-week program focused on helping transform their software ideas into marketable products



Microsoft Unlimited Potential

Microsoft has coordinated across the company to bring together business models, technology solutions, and our Citizenship efforts to bring the benefits of relevant, accessible, and affordable technology to the next 5 billion people.

These programs include:

- Community Technology Skills Program
- > Partners in Learning
- > IT Academies
- > Emerging Markets efforts



EUGA

Private initiative to support a public policy

- → Provides awareness, consulting and support to help SMEs to successfully apply for international, national, regional and local grant for ICT related investment
- €200bn available through EU and national funding opportunities from 2007-2013.
- EUGA available in 22 countries
- €120m of EU funding awarded as a result of EUGA
- 113,000+ SMEs benefitting
- 11,000+ grants identified in technology and growth related categories for 2007-2013

Innovation & the Software Ecosystem

Shared Objectives:

- > Jobs and Growth
- Innovation and Entrepreneurship
- Regional Competitive Advantage

Our Contribution:

- Industry Partner and channel ecosystem
- Customer lead initiatives
- Training and related services
- Market insight and references
- Tools & Platform Assets (consistency and change)

Microsoft®

Your potential. Our passion.™