Microsoft to Acquire FrontBridge Technologies, a Leading Provider of Secure Messaging Services

Fully managed services will help ensure e-mail compliance and continuity while providing customers with additional security protection from spam and virus threats.

REDMOND, Wash. — July 20, 2005 — Microsoft Corp. today announced that it will acquire FrontBridge Technologies Inc., a leading provider of managed services that address corporate e-mail security, compliance and availability requirements. With this acquisition, Microsoft will deliver a service for enforcing compliance through archiving, minimizing spam and viruses, and ensuring e-mail availability in the case of a disaster. FrontBridge's scalable service-delivery model can be applied to organizations using other SMTP-compliant e-mail servers, requires no upfront capital investment and minimizes IT management overhead, enabling companies to concentrate their scarce IT resources on areas that most directly impact their business, such as driving innovation, building efficiencies and increasing customer satisfaction.

"Our commitment to listening and responding to customers really drove the union with FrontBridge, because both companies are focused on solving the same difficult messaging challenge — ensuring customers' e-mail is compliant, better protected from spam and virus threats, and always available, even in the case of unforeseeable disaster," said Dave Thompson, corporate vice president of the Exchange Server Group at Microsoft. "We see FrontBridge's services as a perfect complement to Exchange. The FrontBridge team brings significant expertise in helping customers mitigate messaging risks before they ever reach the corporate firewall."

The planned acquisition of FrontBridge Technologies will play a key role in Microsoft's strategy to help customers be more secure and better protect their messaging infrastructure while complying with mandatory regulations such as the Sarbanes-Oxley Act of 2002, Health Insurance Portability and Accountability Act (HIPAA), and regulations that affect financial services companies such as SEC 17A and NASD 3010 and 3011. Microsoft will continue to work closely with FrontBridge's partners to provide these services to customers. In addition, Microsoft's existing partners, including Hosted Exchange partners, now will be able to offer these services to meet growing customer needs.

"We developed our technology to provide all customers with managed services that simplify how corporations address complicated e-mail-related risk," said Steve Jillings, president and chief executive officer of FrontBridge Technologies. "Microsoft's leadership position with Exchange Server, in combination with our managed services, will be able to deliver the comprehensive and highly secure messaging environment customers require while also offering new and future opportunities to partners."

FrontBridge services are delivered globally by the only load-balanced, fully redundant datacenter network demonstrating unparalleled services reliability. FrontBridge's technology focuses on three key areas:

- **Message Compliance.** A fully managed e-mail and instant message archiving, retrieval and reporting service mitigates compliance and e-discovery risk.

- **Message Security.** A highly secure messaging infrastructure provides protection from internal and external threats through the use of multilayered filtering technologies and encryption.

- **Message Continuity.** Through the high availability and redundancy of its network of eight datacenters located around the globe, FrontBridge ensures e-mail availability and disaster recovery during emergency scenarios.

Terms of the acquisition were not announced. FrontBridge Technologies will maintain all current operations until the transaction closes. More information about Exchange Server and this announcement can be found at http://www.microsoft.com/exchange.

About FrontBridge Technologies

FrontBridge is a global provider of comprehensive secure messaging services. Its Total Message Management services ensure the security, compliance and continuity of all electronic messages, with fully-managed services for email and IM archiving, spam filtering, virus scanning, encrypted email, policy enforcement and disaster recovery. Services are powered globally by the only load-balanced, fully redundant data center network to demonstrate 100 percent historical uptime, on top of 99.999 percent service level guarantees. FrontBridge is based in Los Angeles, Calif. with offices in London, Paris, and Winnipeg. Its managed services are trusted and relied upon by more than 3,100 businesses across the globe and are available through the managed service industry's largest distribution partner network, including AT&T, Equant, IBM, NEC, Siemens Business Services, Inc., Sprint, TELUS and VeriSign. For more information, visit us on the web at http://www.frontbridge.com.

About Microsoft

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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