

NEWS RELEASE



Microsoft and ePals to Bring Next-Generation Digital Learning Technologies to the Global K-12 Education Market

Strategic relationship to offer Microsoft Live@edu to millions of ePals' users

REDMOND, Wash., and WASHINGTON, D.C. (April 22, 2010) – Microsoft Corp. and ePals Inc., a privately held education technology company, today announced they have signed a strategic technical collaboration agreement to develop and deliver communications, collaboration and digital learning technologies to the global education market. Under the agreement, ePals will offer Microsoft Live@edu e-mail and calendaring platform and other capabilities to millions of its users, expanding ePals' services with enterprise-grade collaboration tools. In the future, ePals and Microsoft will work together to incorporate Microsoft Office Web Apps, a Web-based version of the Microsoft Office productivity suite, and features of Microsoft Office SharePoint Online, Microsoft's cloud-based collaboration solution.

“We chose to partner with Microsoft because it is clearly committed to education and Live@edu is a tried and tested reliable solution that complements our market-leading capabilities,” said Ed Fish, president of ePals. “While the cornerstone of school-based communication and collaboration systems must be the protection of user identity and data as well as the implementation of sophisticated policy management, it is Web-based collaboration and assessment that can truly transform learning globally. The powerful features and extensible platform delivered by Live@edu enhances ePals' own platform and leading solutions for the K–12 market.”

ePals has built the world's largest K–12 learning network, a communications and collaboration platform linking 600,000 educators and reaching more than 25 million teachers, students and parents in 200 countries and territories. ePals LearningSpace provides safe and secure virtual workspaces for schools, including e-mail, blogs, wikis, shared portfolios, media galleries, and language translation in 35 languages.

Live@edu will bring additional capabilities to ePals' SchoolMail® and other products, delivering advanced communication and collaboration capabilities to the solution, such as a familiar Outlook interface across the PC, phone and browser, accessibility features, cross-mailbox search, and dynamic distribution groups. From an IT perspective, the solution will allow schools to set up sophisticated policy-based controls that regulate which students and teachers can e-mail and share information with each other for security purposes, and what level of filtering and monitoring is desired for sent and received e-mail, including for inappropriate language. Rules also can be applied for instructional value as well, and help facilitate peer-based editing and feedback features.

Live@edu is a no-cost suite of easy-to-use online services, based on the familiar Microsoft technologies many people use today, that enable access to information anytime, anywhere, from any desktop, laptop, popular Web browsers or mobile device. More than 10,000 schools in more than 130 countries have enrolled in Live@edu, serving tens of millions of students worldwide.

“We are committed to the cloud and evolving Live@edu to meet the emerging needs and high expectations of students and teachers that technology should enable new experiences that advance their successes,” said Anthony Salcito, vice president of Worldwide Education at Microsoft. “Our investment in the relationship with ePals will enable us to accelerate the impact our platform can have to teaching and learning scenarios. Their expertise in K–12 education combined with Live@edu safety, security, reliability, and productivity features are a perfect match for institutions looking to reduce operating costs while expanding collaborative opportunities that are transforming education today.”

ePals has relationships with many large school districts worldwide and such organizations as the National Geographic Society, International Baccalaureate Organization, Cengage Learning, Inc., and Conservation International. International Baccalaureate is using ePals’ global platform to set up a virtual learning community for more than 794,000 students, educators and alumni in 138 countries.

In addition to providing technology to transform learning, both Microsoft and ePals share a commitment to helping address the digital divide. Microsoft Partners in Learning is a 10-year, nearly \$500 million global initiative aimed at improving teaching and learning experiences through information and communications technology with the aim of helping students realize their greatest potential. In the past seven years, the program has trained more than 7 million teachers and reached more than 170 million students in 112 countries. Microsoft is deeply committed to helping teachers and school leaders use technology appropriately to achieve powerful results in every classroom by partnering with governments, academic institutions and NGOs to achieve both local and global impact. More information about Partners in Learning can be found at <http://www.microsoft.com/education/pil/partnersInLearning.aspx>.

With the support of the ePals Foundation, ePals offers its award-winning *In2Books* program, a curriculum-based e-mentoring solution for students in grades 3 through 5 who are matched with adult pen pals. The *In2Books* program helped participating children raise standardized test scores and improve writing and critical thinking skills. Today, more than 4,000 students are enrolled in the program in the U.S. More information is available at <http://www.in2books.com>.

About Microsoft Live@edu

Live@edu is a no-cost hosted platform for student communication and collaboration, providing industry-leading services to the global education market. E-mail and calendars with a 10GB inbox, 25GB of additional file storage, document sharing, instant messaging, video chat, and mobile e-mail are just part of the feature set. Live@edu provides students with the professional tools to prepare them for college or work from day one. Live@edu is accessible through popular Web browsers for Windows, Mac, and Linux operating systems – and easy to set up, administer and manage. More information is available at <http://www.microsoft.com/liveatedu>.

About ePals

A privately-held education technology company, ePals Inc., has created the world's largest K-12 learning network. ePals offers primary and secondary schools, teachers, students, and parents worldwide a safe and secure platform for building educational communities, providing quality digital content and facilitating collaboration for effective 21st century learning. ePals is used by more than 600,000 educators and reaches more than 25 million students and parents in 200 counties and territories. www.ePals.com. Corporate information is available at www.corp.epals.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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