Microsoft and U.S. Government Agencies Announce Initiative To Promote International Development

Collaboration through Public-Private Partnership Will Explore Opportunities to Work Together Across Cultures and Continents.

Washington, DC – Oct. 22, 2007 – Microsoft Corp. and the U.S. Agency for

International Development (USAID), the U.S President's Emergency Plan for AIDS Relief

(PEPFAR), and the Millennium Challenge Corporation (MCC) today announced a unique

public-private collaboration that intends to promote international development in the areas of

economic growth, health, governance, education and humanitarian assistance around the world.

The five-year public-private partnership aims to catalyze the global community to address the

diverse social and business challenges faced by those who currently receive few or no benefits

from technology.

Building on decades of business experience, research and development, and corporate

citizenship efforts, Microsoft will strengthen its ongoing commitment, known as Unlimited

Potential, to helping those underserved by technology overcome the barriers to social and

economic empowerment.

By seeking to share respective strengths, experience, and resources (including human, in-

kind, and financial support) Microsoft, USAID, PEPFAR, and MCC, will support achievement

of the following core development objectives:

- **Disaster Response/Humanitarian Assistance:** Facilitating the provision of assistance including through collaboration on processes, tools and technologies to save lives and alleviate human suffering through disaster preparedness, response, and recovery;

- **Health:** Advancing global health care and addressing HIV/AIDS challenges through effective technology;

- **Environmental Sustainability:** Promoting a clean and sustainable environment by focusing on climate change and other forms of environmental degradation;

- **Education and Youth Empowerment:** Expanding educational opportunities to enable access to quality education through dynamic, learner-focused technologies and resources;

- **Growth:** Enabling economic development through digital inclusion, local innovation, access to credit, and job opportunities; and

- **Governance:** Promoting enhanced government service delivery, engagement with civil society, transparency, rule of law, human rights, child internet trafficking and protection issues, and strong intellectual property rights.

This expanded initiative is an outgrowth of numerous successful joint global projects between Microsoft and USAID that have taken place over the last five years in areas such as education, digital literacy training and economic development.

"Microsoft believes in enabling new innovative avenues of social and economic empowerment," said Gerri Elliott, corporate vice president of the Worldwide Public Sector organization at Microsoft. "This collaboration with USAID, PEPFAR and MCC — all leaders in solving issues faced in the developing world — is strategically aligned with Microsoft's Unlimited Potential goal of applying the benefits of technology toward the health and well-being of people around the world."

"In this age of increasing interconnectedness, this global collaboration with Microsoft will help to mobilize ideas and resources, skills and technologies to spur innovation and deliver results far more efficiently and effectively than ever before," said Henrietta Fore, acting administrator of USAID.

The first project for collaboration under this global Memorandum of Understanding will be an alliance between Microsoft, USAID and Indonesia Entrepreneurship And Agribusiness

Development Activity (or SENADA) -- a USAID-sponsored competitiveness project, The alliance partners will sponsor iMULAI, a national business innovation competition and awards program. This competition will promote the spirit and importance of innovation to business entrepreneurs and the general public in Indonesia. The competition also seeks to grow Indonesia's global IT competitiveness.

"This groundbreaking public-private partnership will help PEPFAR leverage the tools of the information age and the core competencies of Microsoft to bring HIV/AIDS collaboration to the next level," said Ambassador Mark Dybul, U.S. Global AIDS Coordinator of PEPFAR.

"Our joint collaboration with Microsoft, USAID, and PEPFAR will provide new avenues for MCC assistance to create the conditions that will unleash private sector investment, support job creation with technology, and be an incentive for policy reform," said MCC CEO Ambassador John Danilovich.

About USAID

The American people, through the U.S. Agency for International Development, have provided economic and humanitarian assistance worldwide for nearly 50 years.
For more information on USAID programs, please visit www.usaid.gov.

About PEPFAR

The U.S. President's Emergency Plan for AIDS Relief is the largest commitment ever by a single nation toward an international health initiative — a multifaceted approach to combating HIV/AIDS around the world. For more information about PEPFAR, please visit www.PEPFAR.gov.

About MCC

Millennium Challenge Corporation, a U.S. government corporation designed to work with some of the poorest countries in the world, is based on the principle that aid is most effective when it reinforces good governance, economic freedom, and investments in people that promote economic growth. For more information about MCC, please visit www.MCC.gov.

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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For more information about Microsoft Unlimited Potential:
    http://www.microsoft.com/unlimitedpotential

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