

Consumer Productivity Vision

“Applications that let users make the
most of their home computers”

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Consumer Productivity

FY '00	Revenue ('000)	Headcount FTE	Responsibility Margin
Works	\$95.1	69	57.5%
Home Publishing	\$34.9	40	32.5% (fix this)
Mapping	\$31.1	66	15% (fix this)
Kids	\$5.0	2	10% (fix this)
Total	\$159.5	179	25.3%

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BU Goals

(FY99 vs FY00)

I hate this slide. Is it necessary?

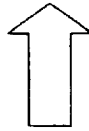
	Budget	Stretch	Costs	Profit	Goals
FY '99	187.3	187.3	78.2	33.0	
FY '00	176.6	193.0	87.2	22.3	

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Business Plan

Strategy

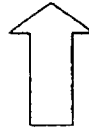
Drive Works growth and brand resurgence WORLDWIDE



Tactics

- Solid tools w/Office migration
- Focus on user tasks WW
- Ease of use and support
- Integration w/Suite apps and web

Drive market gains for Home Publishing through leadership in digital imaging and home publishing



- Combine code bases and drive better integration
- Improve common look and feel
- Center on digital imaging asset and partnerships to help drive adoption

Build the mapping assets for Microsoft through adoption and usage of MapPoint worldwide



- Core code base for efficient development
- Partner w/Office and corporate accounts to find and drive sales to key IEUs

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FY002 Dream

- Works business as the driving force for consumer home application delivery and use
 - **\$200M worldwide business (~\$100M in FY '99)**
- Home Publishing business gains thought leadership position with digital imaging and web driving purchase and usage
 - **45% responsibility margin business (need # here)**
- MapPoint is a \$100M asset that drives purchase of Office and creates new category advantage
 - **45% responsibility margin business (29% in FY '99)**

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Technical Plan

Jihad	Area	Strategy	Customer Promise	Not Doing
Works Suite Integration	Address Book Calendar Web Task-Centric	Common engine Common UI for core functionality Integration with key partners (web, camera, peripheral)	Easiest way to get online Best exp. for home users Family Safe and convenient Services make tasks easier	Added value for corporations
Home Publishing Integration	Storage Tools Web	Value-add app development Code-sharing to improve time to market (millennium) Partnership development • Imaging	Quicker to access, easier to find solutions to problems, and in targeted cases automatically fix problems	Re-plumbing core OS to speed up availability and improve reliability Complete Windows solution
Windows (Millennium) Collaboration	Imaging Web Publishing Home Networking Applets	Demonstrate vision by simplifying common home networking scenarios - file, print, internet sharing. Deliver key plumbing pieces and simple discovery UI	Setting up a home network is easy and you don't even have to run wires. Sharing disk space and printers between machines is automatic.	Com+ Programmability Layer Deep UI for device specific classes
Home Networking (FY '01)	Dial-up/Broadband PC-to-PC connectivity in home PC-to-Smart Appliance connectivity in home			

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Thought Leadership

- Works
 - Leadership in task-based design of “applications” and UI
- Home Publishing
 - Leadership in defining the use of digital imaging and web publishing as the central assets for home creativity
- Mapping
 - Leadership in the graphical representation of geographic data as a business tool

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Partnerships

- **Internal**
 - Windows
 - Millennium, Neptune, Joint marketing
 - CCG
 - Calendaring, E-Greetings
 - Office
 - MapPoint
 - Works (wish list)
- **External**
 - Marketing/OEM
 - Fuji Film
 - Avery Label
 - Iomega
 - NavTech

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Keys to Success/Strategies

- Drive Works worldwide growth
 - International support and growth
 - Marketing demand support
 - Executive support within MS
- Redefine Home Publishing category
 - Drive retail presence through smart sku mix/pricing
 - exploit direct retail opportunity for customized marketing by segment
 - Utilize the Picture It! asset and make it the defining criteria for purchase
- Build corporate IEU community for MapPoint
 - VAR/SP marketing program
 - Office attach programs

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Keys to Success: Issues

- Works support outside North America
 - Projecting declining growth in all key Euro subs
 - Marketing budgets average < 3% of net revenue
 - Headcount averages <.5 per large sub
- Home Publishing in US retail channel
 - Understanding and exploiting the customize marketing opportunities of direct distribution
- MapPoint as an Office asset
 - Too small to matter but to important to pass up
 - Exposure at the key corporate accounts which requires identifying specific IEUs within the accounts

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FY00 Product Roadmap

	Q1	Q2	Q3	Q4
Works	All US versions Z,F,G,I,Sp,D,J	Eastern Europe Traditional Chinese Taiwan		Possible release with Millennium
Home Publishing	All US versions Picture It! – Z,F,G,J,I	Picture It! – Korean, Taiwan, Brazil		Picture It! – Possible release w/Millennium
Mapping			Streets and Trips AutoRoute MapPoint GB	
Kids			MSB #8	MSB #9

Future Product : Video Editing for Home Users

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BU FY00 Budget P&L

Markf to fill in

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Product Unit Drill Downs

4 slides per core business

2 slides for Kids

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Appendix

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Resources Needed

- Development spend
- H/C (FTE and CSG)
- Marketing
- Operations
- Acquisition money
- Executive support

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Key Learnings

- **Customers**
 - Consumers are price sensitive/value-oriented
 - Consumers place a premium on ease of use
 - Consumers don't always value quality
- **Competitors**
 - Driven by scale at retail
 - Strong brands drive purchase
- **Market**
 - *Need point on overall market size by category*
 - *Market characteristics by category*
- **Technology**
 - *Digital imaging?*

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Marketing

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Works Line

- **Marketing Objectives:**
 - Achieve 20% revenue growth in WW FG business
 - Maintain WW OEM penetration and revenue
 - Begin to re-establish Works brand worldwide
- **Strategies and Tactics:**
 - Attach to new PC purchases WW
 - Sub \$1000 PC purchases = Works Suite (retail and OEM)
 - Retail build-to-order, OEM Choice
 - OEM install of Works Std or Works Suite
 - Account customization with Works Task Launcher
 - Upgrade installed base to Works Suite
 - Direct mail/e-mail to Works registered base, HRD customer base
 - Upsell customer within 3 months of new PC purchase (Dell, E-Machines, CompUSA)
 - WW awareness and demand generation for Works Suite
 - PR reinforcing Works as the “must have” for every home PC
 - Targeted print, radio and e-mail campaigns
 - Internal MS evangelism

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Works Sku Strategy

Works 2000	\$37.85	\$49.99
Works Suite 2000	\$64.00	\$99.95

Could include a couple of box shots

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Home Creativity Line

Greetings, Home Publishing and Picture It!

- Marketing Objectives:
 - Increase market share in HDTP category by 4 points to 12% in revenue share and 11% in unit share. Move MS from #3 to #2 position in HDTP category.
 - Establish leadership in HDTP category with Home Pub Suite by redefining the category to include print functionality, integrated Internet technology and superior photo editing capabilities
 - Retain #1 position in Digital Imaging category
- Strategies and Tactics:
 - Gain maximum assortment and support in top 5 retail accounts
 - customized account plans by account, sku and pricing strategy, take shelf space share from Print Artist
 - Establish strategic partnerships with 2 top non-competing peripheral manufactures- Fuji, Iomega, HP, Avery
 - Seed Home Pub Express, Picture It! Express upsell to full versions
 - PIE on Fuji Picture CD

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Home Creativity Sku Strategy

Product	Channel	Price	Price	Price	Price
Greetings 2000	Traditional	\$19.99	\$24.99	\$10.00	\$14.99
Home Pub 2000 Express	Mass Merchants	\$9.99	\$14.99		\$14.99
Home Pub 2000	Traditional	\$29.99	\$39.99	\$20.00	\$19.99
Home Pub 2000 Suite	Traditional	\$37.85	\$49.99	\$20.00	\$29.99
Home Pub 2000 Premium	Clubs	\$29.99	\$39.99	\$20.00	\$19.99
Picture It! 2000	Traditional	\$37.85	\$49.99	\$20.00	\$29.99
Picture It! '99	Mass Merchants	\$14.05	\$19.95		\$19.95

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Consumer Windows Integration

Launch (4/30/00) and sustaining (Holiday 2000)

- Leverage Consumer Windows messaging and PR
 - Extend Win 00 messaging- Works Suite completes the solution for Home PC
 - “Adopt-a-family” promotion
- Drive purchase through Consumer Windows
 - Seed Consumer Productivity trial versions to purchase
 - Pre-configured OEM and retail PC’s. Focus on selling solutions (I.e., digital imaging)
 - Fuji Pictures on CD/PIE on digital imaging PC
 - First time PC buyers program- create and drive low-cost/no-cost PC programs with key OEM’s
 - Develop unique Win 00 features within Works Suite and Home Pub Suite
 - Customized templates, easily create and post a web page, create an online photo album, free downloadable extensions

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Creative Partnering -- Fujifilm

- Bundle PIE2000 as the viewer for Pictures on CD
 - Worldwide objective
 - Co-branding of Pictures on CD
 - Upsell campaign for full retail version
- Leverage Fujifilm relationships to expand channel
 - Wal-Mart in mass channel
 - Photo processing stores Ritz/Kits, Boots (UK), Blacks (Canada), Japan the next major opportunity
- WW OEM deals for consumer digital cameras
- Increase selling proposition to retail product line
 - Fujifilm Digital Ready logo for PI, Suite, Premium
 - \$129 in free coupon offers in box for PI, Suite, Premium

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Creative Partnering -- Iomega

- PI OEM deals for Iomega line of Zip drives
 - Photo centric starter kits co-branded
 - Creation of co-marketing task force for implementation
- PIE distribution on Zip disk media
 - Upsell campaign for full retail version
- Future expansion into other media
 - Zip-CD, Click, cameras

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Obstacles to Creative Partnering

- OEM contracts are not suited well for peripheral companies
 - Too complicated in legal terms
 - Too demanding on payment terms
 - Lack of infrastructure for product support
- Lack of account management, focus and relationship building from OEM group
 - Need to insert someone from OEM involved to get any deal signed

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Kids

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Kids

- How do you want to talk about the kids business? Current strategy was to just market (with minimal PR and a few channel dollars) stand-alone titles.
- With decision to produce more sub \$19 MSB titles should we put in some creative ideas, ie. Alternative channels, shop.com, beyond.com, kids bundles, etc...

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Mapping

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Geo Overview

- FY99 Highlights
 - Achieved #1 share in NA with Streets & Trips
 - Successfully launched MapPoint 1.0 in US & GB
 - Winning reviews, and uniformly positive press for all products
 - Forecasted RM of \$X, and X% (from \$X and X% in FY98)
- FY99 Lowlights
 - Shipped consumer products 6 months late
 - MapPoint late to market (due to Office slips)
 - Office decided not to bundle MapPoint in Office 2000 SBE
- FY00 PU Objectives
 - Consolidate all products into one code base for greater efficiencies via superset/subset model
 - Refine map building tools & procedures for greater reliability, predictability, and efficiency
 - Establish desktop mapping as a mainstream business application
 - Grow overall revenue by X%, achieve RM of X%

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Consolidate applications for more efficient development & testing

FY98

Streets	Trip Plan	Auto Route
Map Rendering/Nav		
Map Data Files		

- All apps focused on consumers
- Each app a separate effort built on shared components

FY99

Streets & Trips AutoRoute	MapPoint
Map Rendering/Nav	
Map Data Files	

- Merged Streets & Trip Planner apps in NA
- Combined all consumer projects into one code base
- Developed MapPoint for business mapping

FY00

MapPoint
Streets & Trips AutoRoute
Map Rendering/Nav
Map Data Files

- Moving to one code base for all applications to eliminate redundant code & effort
- Superset/subset model for business and consumer apps

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Refine map building tools and procedures to gain efficiencies

- Build fewer maps
 - Use the same base map for business & consumer products
 - Store multiple languages within a map
 - Building one map per continent for Geo products
- Automating processes
 - More automated data “stitching” to combine best data into one map (i.e., GDT+NavTech, AND+NavTech)
 - Improving proofing to focus on systematic map errors, not spot-fixes
- Get better work from vendors
 - Convince vendors to do more work for us
 - Map data is improving rapidly, our feedback helps

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Establish business mapping as a mainstream desktop application

- Expand coverage and continue to pursue low price, “data complete” strategy
 - Add Canadian map & demographics to NA app
 - Add street level data, postal boundaries and demographics for most Western European countries
 - MapPoint 2.0 Europe version in English, German, French
- Enhance functionality for business use
 - Address-to-address routing driven by user data sets for dispatch, delivery businesses
 - Enhance data analysis capabilities (territories, charts on maps)
 - Expand object model for increased programmability
 - Continued focus on Office integration and ease of use

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Goals for MapPoint business

- Short Term (FY00):
 - Establish category with \$10-15m revenue for MapPoint v1.0 at retail, and achieve 15% share of desktop mapping
 - Inform & educate MS sales force, VAR/SP channel and achieve at least 5 deployments in high profile accounts
 - Successfully launch MapPoint 2.0 in Europe
- Longer Term (FY01-02)
 - Establish MapPoint in VAR/SP channels
 - Become part of Office SKU mix and S&M efforts
 - Expand coverage in lucrative markets (Japan, Australia,...)
 - Stretch: double the size of the desktop mapping category (currently estimated at \$100M worldwide) and achieve 50% share

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MapPoint challenges

- Data cost & availability
 - Expanding coverage is dependent upon this, unless we move from “data complete” strategy
 - No single source for data means ongoing data development work and QA
- Channel development
 - Must create credible retail presence and also establish a presence with 3rd party developers
- Partnership with Office
 - Cooperation to ensure our technical success utilizing shared components, data integration, etc.
 - Commitment for marketing and sales/licensing support, especially for med/large accounts

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Keys to achieving MapPoint Goals

- Closer ties with Office
 - Internally – technical, and marketing/sales support
 - Externally – part of SKU mix?
- Marketing Investment
 - Requires >1 person to achieve success
 - Basic block & tackle marketing (PR, packaging, etc.)
 - VAR/SP channel marketing & relationship building
 - GIS industry marketing & relationship building
- International Product Planning
 - Market & competitive intelligence for this category
 - User and usage research outside NA
 - Assistance entering new markets (Japan, Australia, Brazil...)
- Patience

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Leveraging the Geo investment

- Products using Geo map files & components:
 - Geo: AutoRoute, MapPoint, Streets & Trips, Pocket Streets
 - Learning: Encarta Interactive Atlas (CD & online)
 - Travel: Expedia Maps end-user mapping site
 - Sidewalk: locator maps
 - Home Advisor: locator maps
 - CarPoint: dealer locator maps
- Other leveraged work:
 - Geocoding data for Sidewalk, Home Advisor, Travel
 - Collection/maintenance of place-related web links for MSN, Travel, Learning

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Streets and Trip/ARX

Country	Local Distl	Local ERP	Local Rebate	US Distl	US ERP	US Rebate
US				\$30.00	\$44.00	\$20.00
ARX UK	£35.00	£59.99	£10.00	\$58.35	\$100.00	\$16.00
ARX Europe	£35.00	£59.99	£10.00	\$58.35	\$100.00	\$16.00
French	129.00 F	299.00 F	50.00 F	\$23.18	\$53.73	\$8.71
German	70.00 DM	119.00 DM	0.00 DM	\$40.92	\$69.57	\$0.00
Italian	L. 69.00	L. 99.00	L. 0.00	\$42.00	\$60.27	\$0.00
Spanish	5,007 pta	9,990 pta	2,000 pta	\$34.41	\$68.66	\$13.75

Objectives:

- Grow WW Revenue by 10%
- Market Share WW
 - #1 SKU in NA
 - #1UK, F
 - Grow to #3 in D (from #5)

USFG Tactics

- Retail Execution
- PR Focus

USFG Marketing Spend

- FY99: \$600k
- FY00: \$565k

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MapPoint

Country	Local Distl	Local ERP	Local Rebate	US Distl	US ERP	US Rebate
US				\$82.50	\$109.00	\$30.00
US (w/ BS)				\$82.50	\$109.00	\$30.00
UK	£54.70	£99.99	£0.00	\$91.18	\$166.68	\$0.00

Objectives:

- Build Awareness and Trial of MapPoint
- Revenue stretch goal of \$10 million in US/UK

USFG Tactics

- Sales Execution with Office
- Focus Advertising on Sales/Marketing professionals

USFG Marketing Spend

- FY99: \$2,000k
- FY00: \$3,600k

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Works

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Works 2000

Microsoft Works 2000

- Integrated word processor
- Spelling & Grammar
- Database
- Calendar
- Address Book
- Email and Web ready

- The Essential File for Windows 95
- 6 Popular Titles

Microsoft Works Suite Basic 2000

- Six Creative Products in One
- Web PageMaker
- Money 2000
- Mail Merge
- Encarta 2000
- Streets & Trips 2000
- Mail Merge & Merge

Microsoft Works Suite 2000

- Six Creative Products in One
- Web PageMaker
- Money 2000
- Mail Merge
- Encarta 2000
- Streets & Trips 2000
- Mail Merge & Merge

Works Vision

Works puts the computer at the hub of the home by performing common household tasks easily as well as introducing users to new uses for PCs in the home.

- Broad set of high level household tasks
- Core applications are building blocks for home scenarios
- Each release must excite with the latest home computing uses

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Competitive Scenario

- Works has no real competition in area of CD based home productivity software (97% share)
- Competitive scenario is theoretical AOL + Claris Works + Intuit
 - Complete set of household tasks delivered to a large installed base creating a proprietary environment for users
 - Opportunity to leverage those users to introduce new businesses
 - Possibly subsidized giving user low cost solution

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Feature Slide for 2000 and 2001

Works 2000

- Home Task Launcher
- Build great WP for Home users
- Provide great user assistance (natural language, online help, easy navigation)
- Better Integration
- Complete set of wizards/templates including new mail merge wizard

Works 2001

- Home Information Manager
- Home Internet Tasks
 - Shopping
 - Digital Music
- Cross Application Tasks (Scenarios)
- Coordination with Millenium initiatives

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Works Standard Localizations

- English (US, UK)
- Finnish
- French/French-Canadian
- Danish
- German
- Brazilian Portuguese
- Japanese
- Polish
- Dutch
- Czech
- Italian
- Russian
- Spanish
- Hungarian
- Swedish
- Turkish
- Norwegian
- Traditional Chinese
- Simplified Chinese

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Works Suite Localizations

- English (US, UK)
- Finnish
- French/French-Canadian
- Danish
- German
- Brazilian Portuguese
- Japanese
- Polish
- Dutch
- Czech
- Italian
- Russian
- Spanish
- Hungarian
- Swedish
- Turkish
- Norwegian
- Traditional Chinese
- Simplified Chinese

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International Issues

- Risk averse subs sign up for conservative numbers
- Very little dollars and almost zero resources on outselling budget
- Subs seemed focused on products where they might lose rather than where they might win.
 - UK Sub spending almost as much on International Football as they are on Works

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Works vs. Office

- Internal perception that selling Office in the home is better than selling Works Suite into the home
 - Education license of Office Pro is cheaper than Works Suite in some Tier 1 Subs, just to sell more Office? Should Works compete on this?
- Works Suite is the right product for home user.
 - Price point is right, Product mix is right
- Internal Revenue per PC focus needs to position Works Suite as most appropriate product for the home, why not?
 - Works Suite too cheap? Research shows \$99 is right price for home.
 - Works Suite Not called Home Office?
 - Revenue not in DAD?

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New Investments for 2001

- Biggest threats to Works revenue are:
 - Works Users apathy towards new versions
 - OEM Prices sacrificed to combat aggressive Corel pricing
 - MS push to drive Office into the home instead of Works
- So sell more FG Works Suite to upgraders and new users
 - Bets on new technology at expense of some core tools focus to drive excitement
 - In product promotion of next Works Suite product
- And create clearer differentiation from Office
 - Focus on home only scenarios. Home Networking, digital music (MP3s), Consumer Windows releases
- Still Revenue relatively flat. 20% growth in NA FG will not overcome short fall due to OEM pricing and International Support

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**Screen Shot of Launcher,
Letter Wizard and anything
else that is cool**

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Word Processing

- Works Standard WP
 - New Quill based WP
 - Support round tripping with Word
 - Added native support for tables
 - Added background spell checking, grammar checking
 - Added HTML Help and AnswerWizard pane
- Works WP and Word 2000
 - All Works WP templates and Wizards implemented for Word and Works WP
 - Works WP and Word 2000 launch task launcher from File New Menu
 - Mail Merge improved for both Word and Works WP

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IPP

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Maximizing Intl revenues

- Objective: search for additional revenue streams as current business matures
- Strategy
 - Analyze potential new usage trends among home consumers
 - Explore Tier 2 markets for growth opportunities
 - Continue to be aware and proactive against competitive threats
- Process:
 - Explore and monitor progress of new trends
 - New consumer activities (education, leisure, e-commerce, home DTP, etc.)
 - New consumer devices (printers, scanners, CE devices, gaming)
 - Increased speed and availability of Internet access (interactive TV, wireless data, cable modems, wired schools)
 - Recommend products to tap on high growth areas

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Emerging markets

- Objective: complement Tier 1/2 revenues.
- Strategy: Enter new markets at optimum time in their development
- Process:
 - Monitor market development
 - Survey consumers
 - Track key metrics (installed base, pen rate, growth, size of SW market, sales of MS products, Internet usage)
 - Analyze progress and size of opportunity
 - Determine optimum time for entry
 - Start appropriate investment behind flagship products
- Markets closest to ripeness: Korea, Taiwan, Poland, Brazil
- Next in line: Turkey, Greece, Eastern Europe, China

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Emerging Markets: Korea

- 15 million households
- 1.6 million PCs in the home: 10% pen. Rate
- Expected for 2001: 2.5 mil. PCs, 16% pen.
- 2.1 mil. Internet users (incl. Business, FY99)
- Economic growth is recovering from 98 crisis (GPD +0.5%)
- AoE: 40K units sold (approx. same as Japan)
- Computer becoming important in Education

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Taiwan

- To be filled

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Poland

- To be filled

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Competitive Threats: Squeezing out the middle segment

- German customers prefer the „Big Thing“:
 - Corel Draw 8 at home retail sold as much \$ then the whole Home DTP category (~ \$34 mil YTD FY99)
 - Instead of Works users will pirate Office or get the „free“ StarOffice
 - Users seem to prefer overkill software used at company instead of the one that is „good“ for them
 - Only combatant: cheap, task-based programs (e.g. „Business Card Printer“) squeeze out the middle segment of the software market

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Imaging

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Picture It

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Picture It Technology

- Leveraging when it makes sense
 - PhotoDraw V1 engine
 - Clip Art Gallery (CAG v5)
 - Sharing w/Works and Home Publishing
- Key investments on productivity and web
 - Digital mini-lab
 - Rulers, toolbars, cleaner user interface
 - Web based tasks

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Digital Imaging Market

- Digital Imaging Software
 - PI (standalone) Unit share up 5 pts to 28% and Rev share up 4 pts to 24% (Trailing 12) (PC Data source)
 - Digital Imaging s/w retail sales T18 72% unit growth and 82% rev growth (PC Data source) [T18 821,000 units, T18 \$30.3 million]
- Digital Cameras
 - 1,727,940 digital cameras sold in first 17 weeks of 1999.
 - 4.5 million U.S. units now projected for 1999. (Nerwin Associates 136 retailers 10,729 store fronts)
- Potential PC peripheral OEM units for PI
 - Cameras, scanners, printers, storage – 65 million units
- Consumer CD's (Kodak Picture CD and Fuji's Pictures on CD)

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Digital Camera Trends

Table 7. Digital Camera Unit Shipments by Geographic Region (K Units)

	1996	1997	1998	1999	2000	2001	2002
NA	400	850	1,300	3,000	5,300	7,000	8,600
Japan	250	1,050	1,800	2,500	3,800	4,800	6,000
Europe	100	175	450	1,000	1,900	2,400	2,800
Asia-	-	25	75	350	600	900	1,300
Pac	-	-	-	50	100	150	200
ROW	-	-	-	-	-	-	-
Total	750	2,100	3,625	6,900	11,700	15,250	18,900
Growth		180%	73%	90%	70%	30%	24%

Source: Cahners In-Stat Group, March 1998

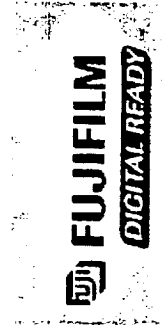
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FUJI Relationship

- Establish core participation in FUJIFILM's WW Digital Imaging strategies.
 - North American and Europe onboard, Japan is very interested. FUJI NA to pitch plans/solutions on 6/15
 - Broad OEM plans for PI and PI Express with digital cameras are being executed.
 - Co-creation of the FUJIFILM *Pictures-On CD* utilizing PI Express as the core software experience is underway.
 - Exclusive use of the FUJIFILM Digital Ready logo.

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Kodak Relationship

- Communication channels are open however no meaningful programs with KODAK have been achieved for this release.
 - Kodak has declined our proposals related to *Picture CD*
 - Kodak has not permitted us to sign the KODAK Picture Friendly license because we are not using the KPF logo on our PI retail box.
 - PI 2000 fully supports all KODAK DI technologies
 - KODAK is fully engaged with ADOBE

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Effort w/Consumer Windows

- No cataloging solution other than files and folders.
- Windows team possibly leveraging our smart task fixes.
 - Brightness
 - Contrast
 - Red-eye removal
 - Dust removal
- Picture It will leverage/support:
 - WIA
 - File format work (hopefully EXIF)

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Home Publishing

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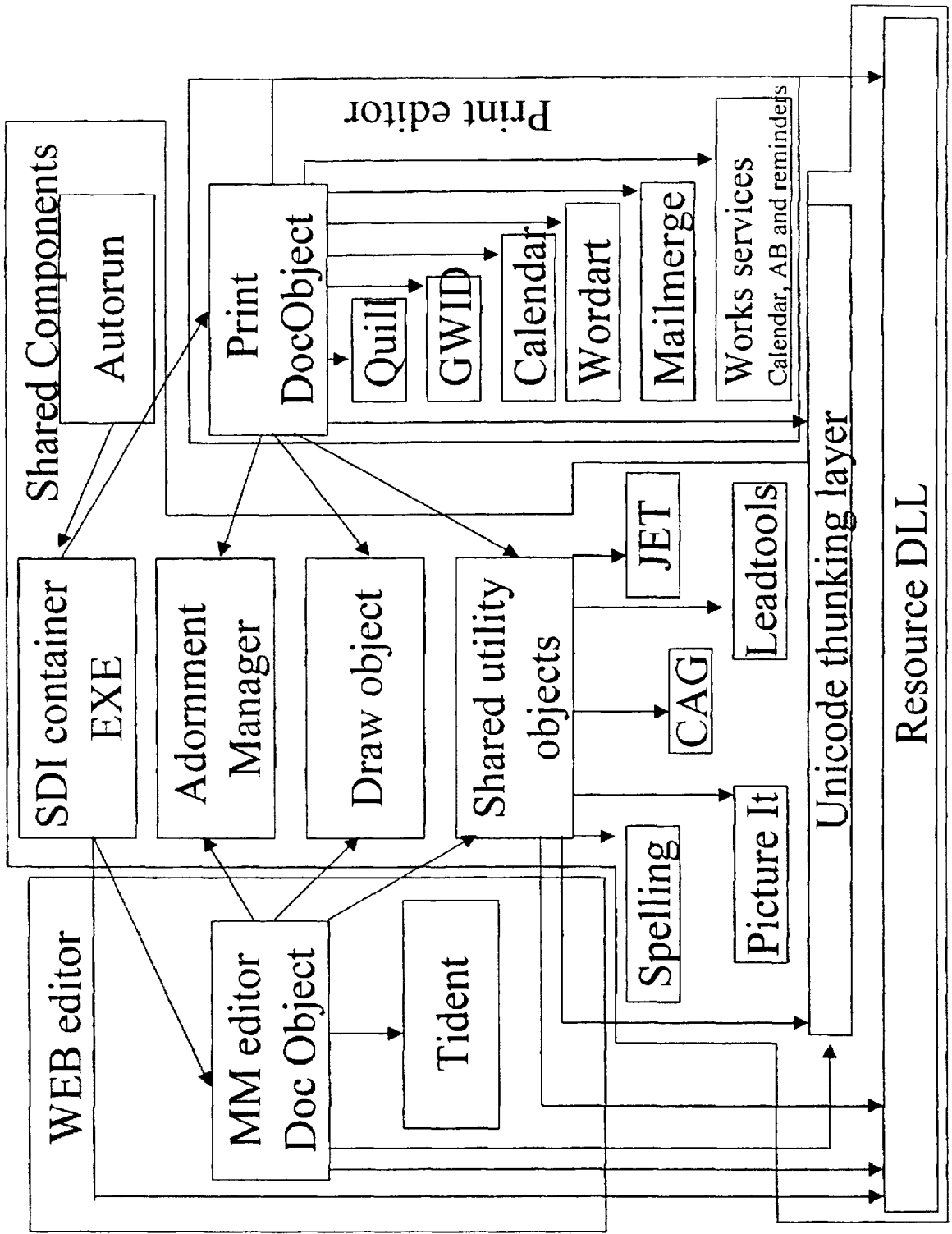
Home Publishing technical assets

- Flexible container/ doc object architecture
- Ease to use dHTML based web editor (sits on trident)
- Javascript MM runtime (works across IE and Nav)
- Rich easy to use print editor (Quill based)
- Light weight drawing component

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Home Publishing 2K architecture



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Competitive Framework

	Printshop Deluxe	Print Master Platinum	Print Artist Platinum	HPS 99	HPS 2k
Clip content	○	◇	○	○	○
Template content	○	○	○	◇	◇
Ease of use	○	○	○	○	◇
Print DTP features	◇	○	○	○	○
Web DTP features	○	○	○	○	◇
Imaging features	○	○	○	◇	◇
Drawing		◇		○	○
Tool Integration		○		○	○
Web integration	○	○		○	◇

○ Fair ○ Good ◇ Outstanding

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Suite integration

- 1 cycle
 - Container integration: Plug PI into container via DOC object
 - UI: Converge on common navigation and top level UI components across all editors (PI, WEB and Print)
 - Photo editing integration : Expose PI smart task features to print and web dtp composition spaces
 - Break out and leverage common services (film strip, archiving, image acquisition, startup screen)
 - Web project convergence : ‘Translation’ of PI and HP print projects into HP web editor for enhancement of layout, addition of mm effects and creation of page navigation
- 2 cycles
 - Converge on common print composition space – photo and print
 - Bring together text editing of quill and alpha channel compositing of Picture it!

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PI and HP merge - risks

- Short term (1 yr)
 - Successful team integration and common vision
 - Striking the right balance of new features vs integration.
 - Perf and working set considerations to bringing PI into HP container.
 - Schedule – Works Suite wants July RTM and we have a lot to do.
- Medium term (2 yrs)
 - Architecting right converged soln for DTP and imaging tasks
 - Timeline to getting to stable converged engine (need to be well along within 1 yr)

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