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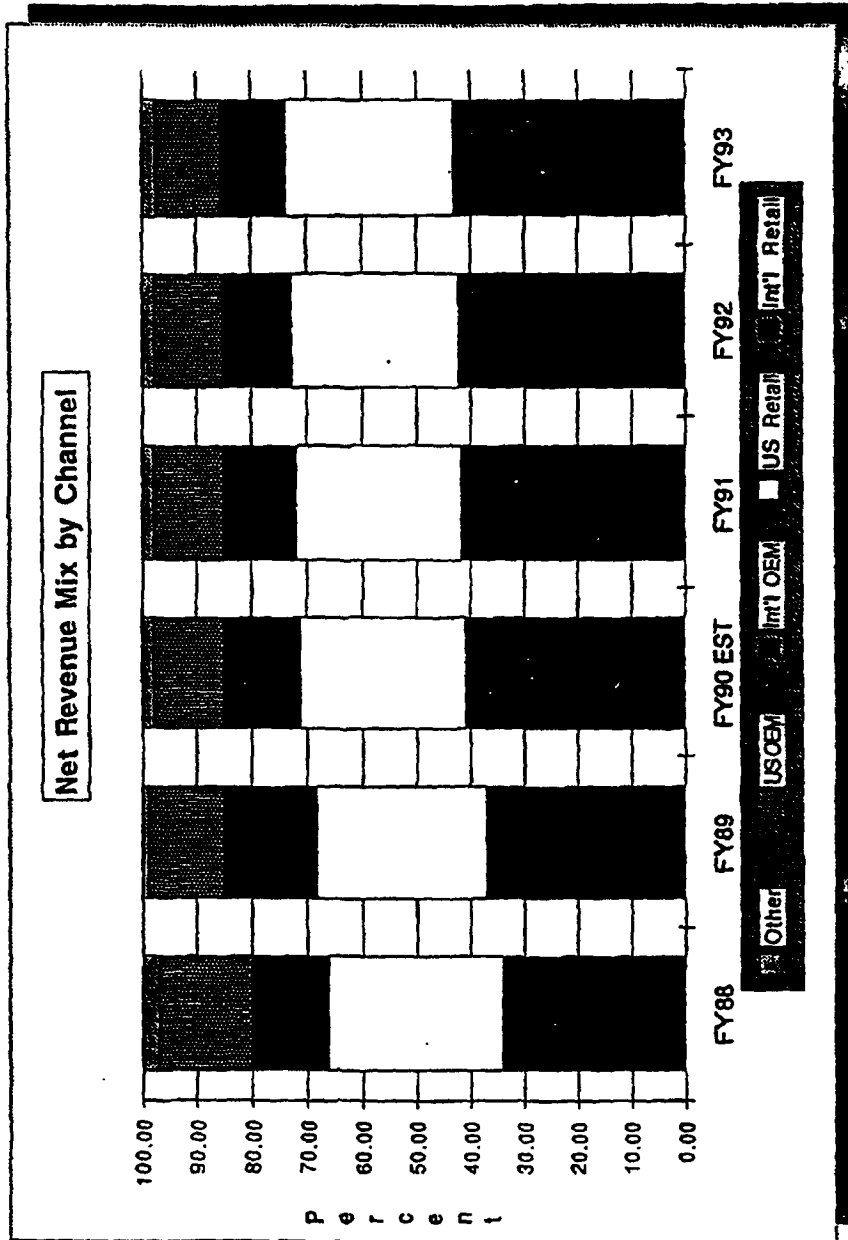
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Comes v. Microsoft
Plaintiffs' Exhibit
5112_A

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One



One A

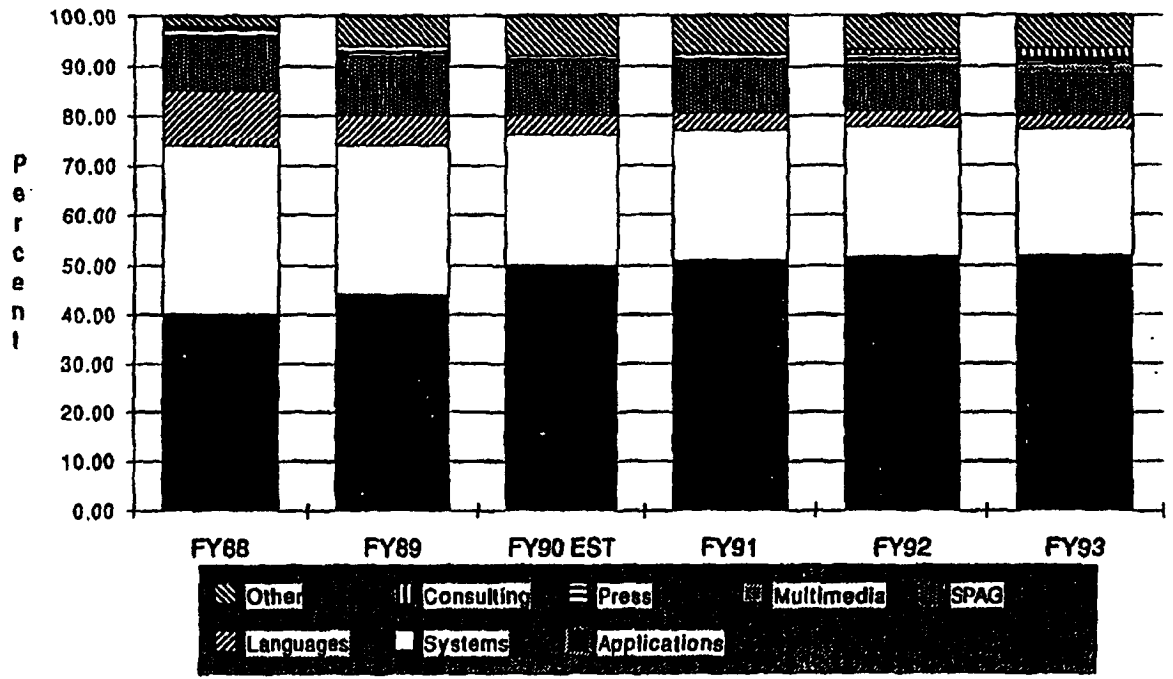
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Revenue Mix by Commodity



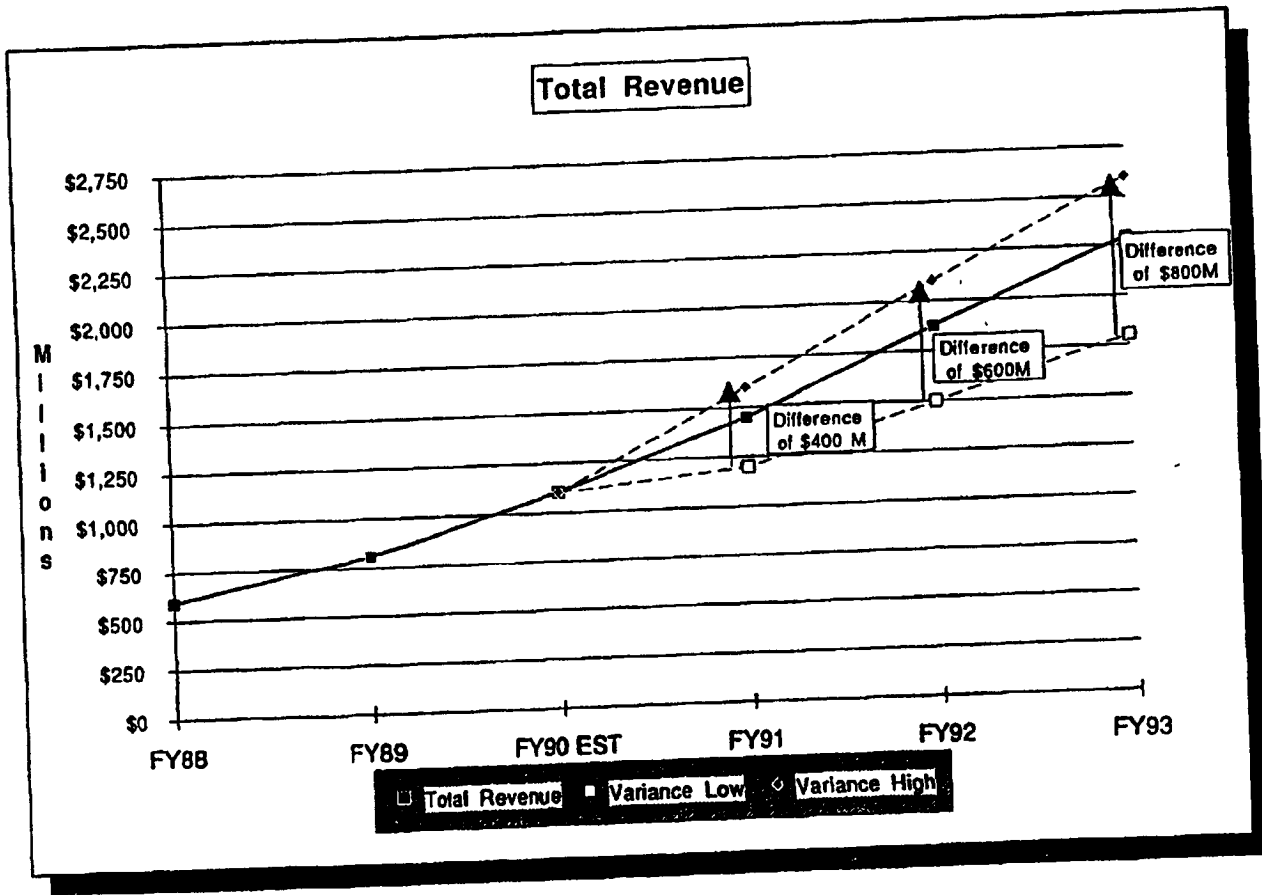
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Two



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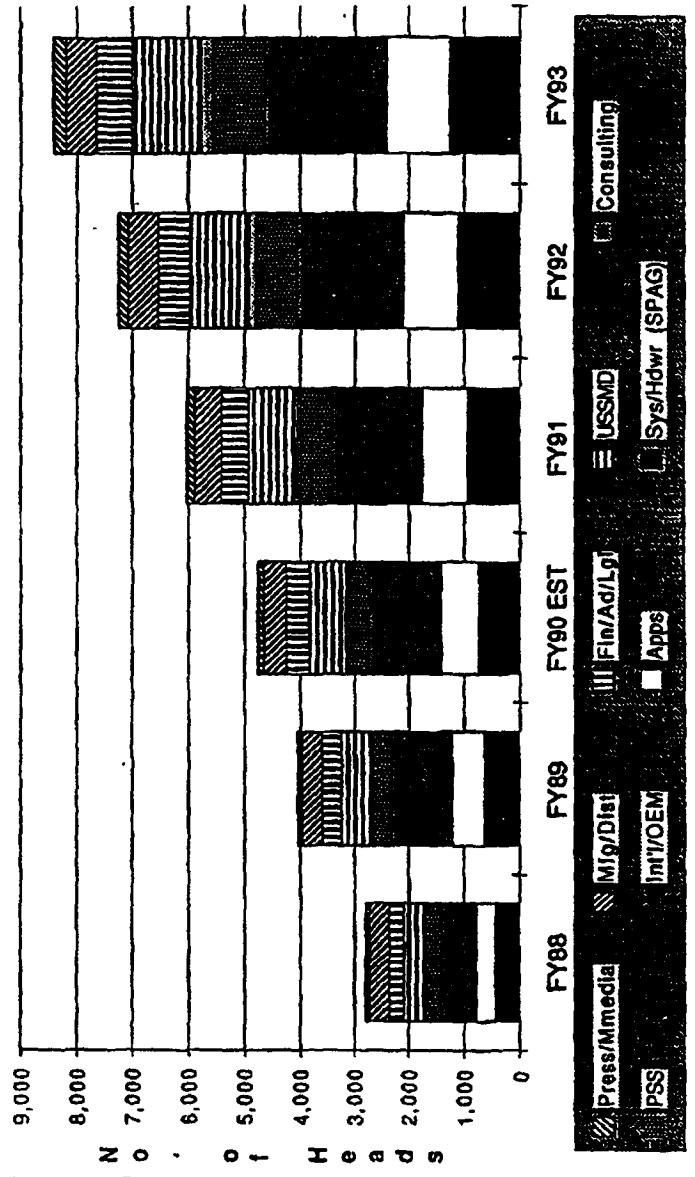
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Three

World Wide Headcount



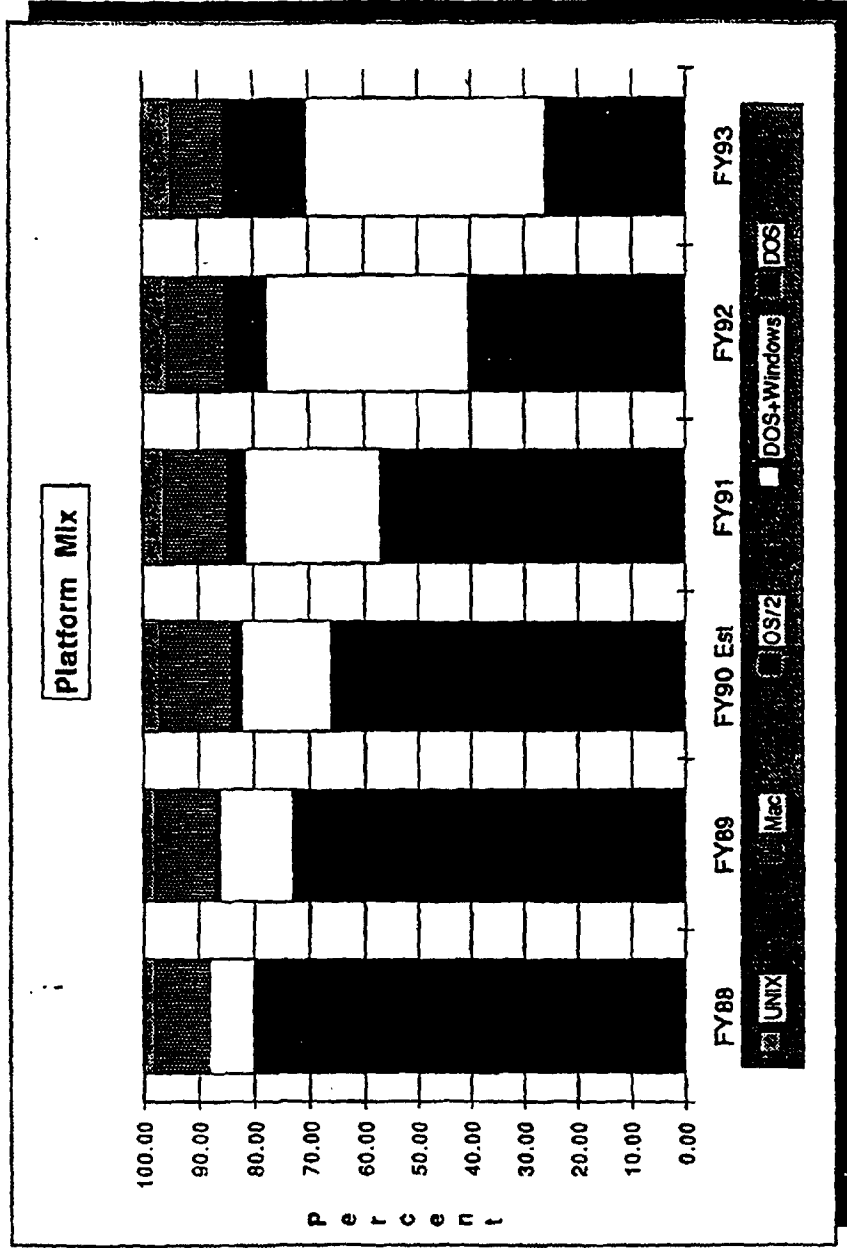
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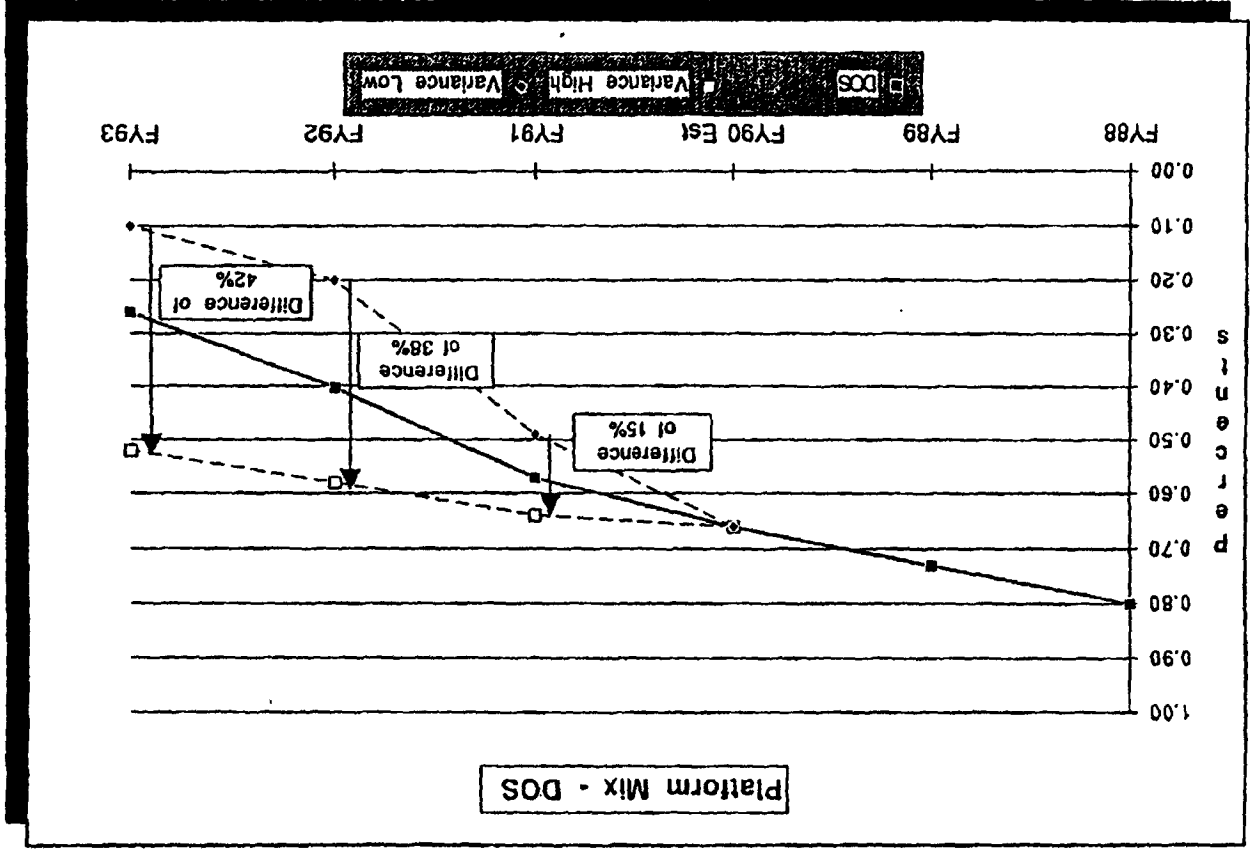
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Five A

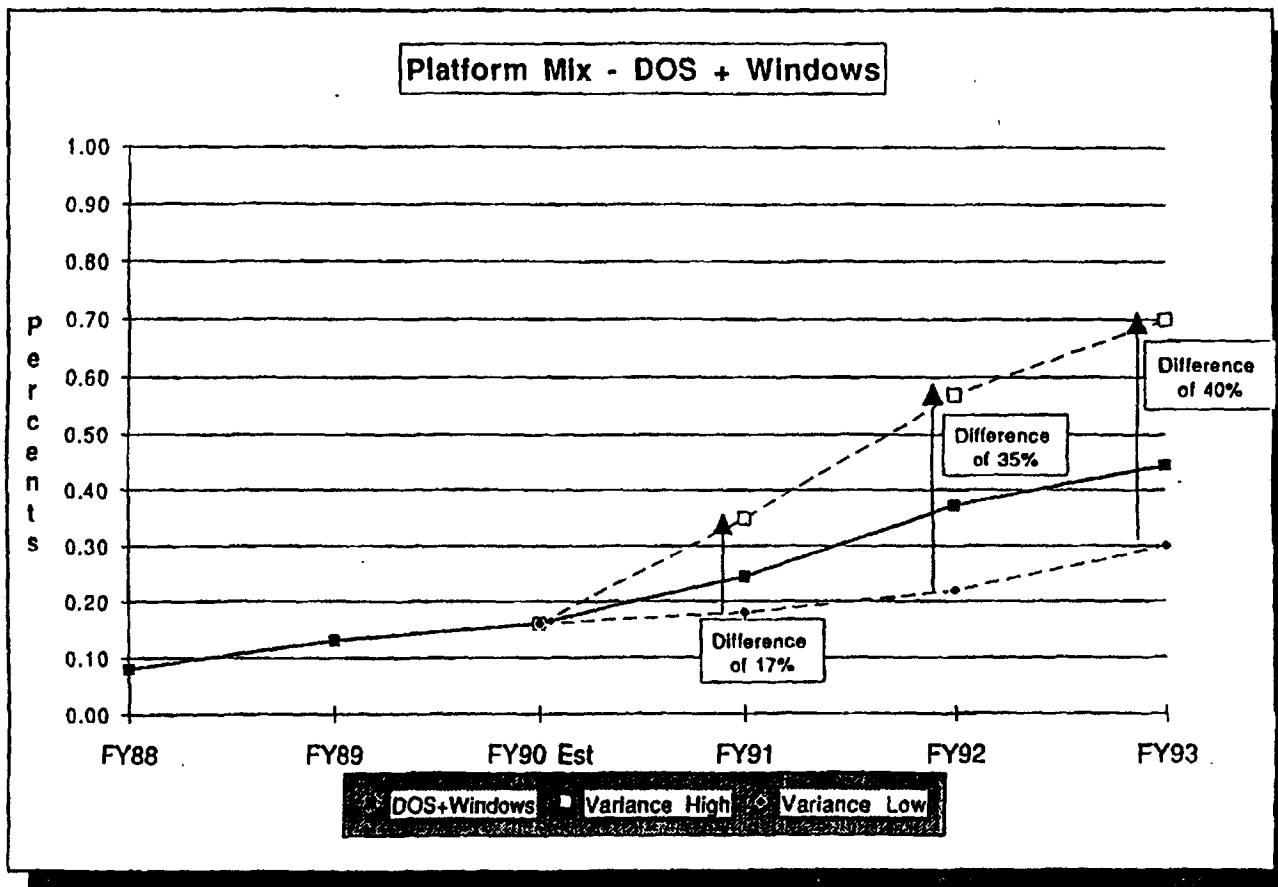
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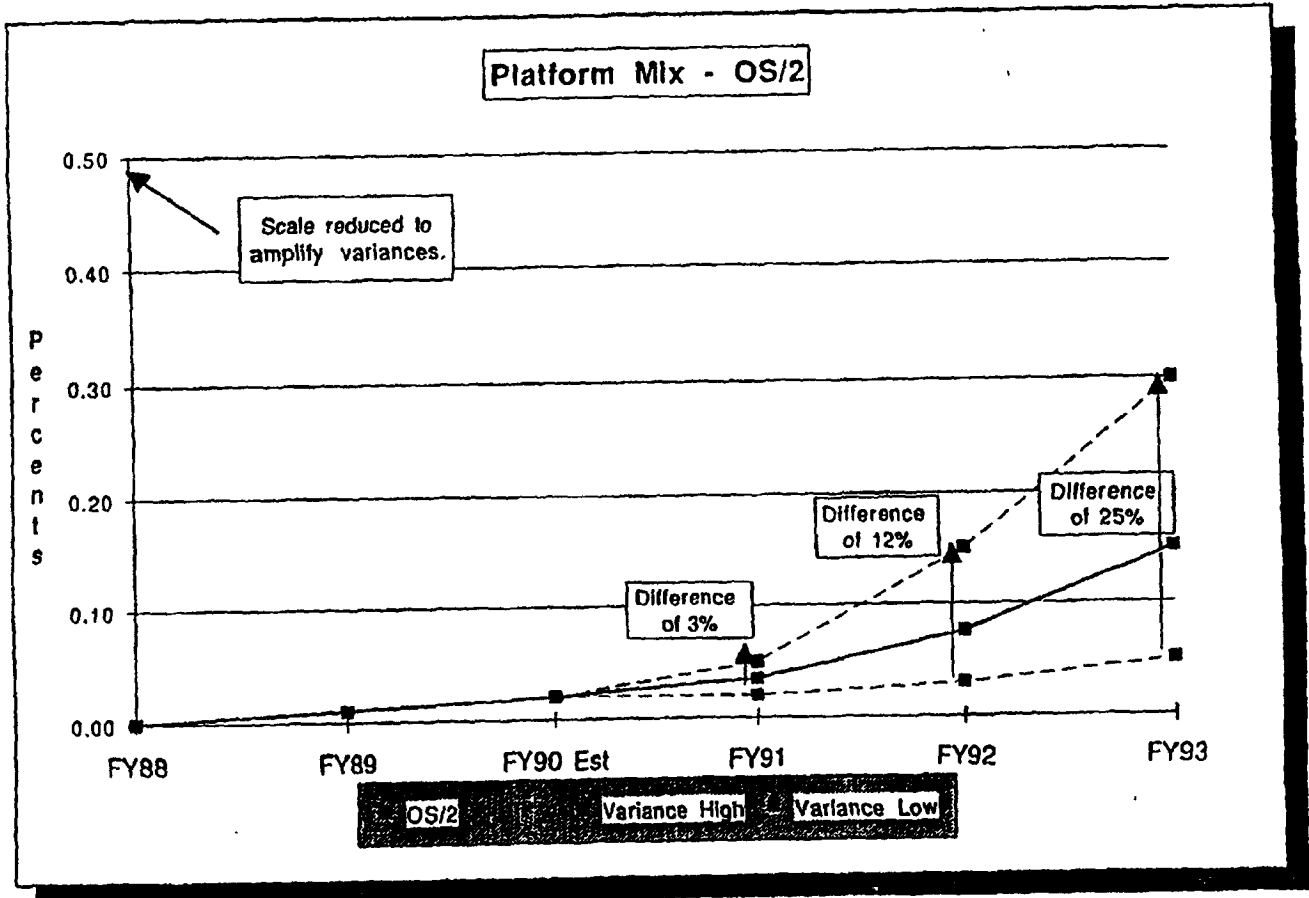


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Five C

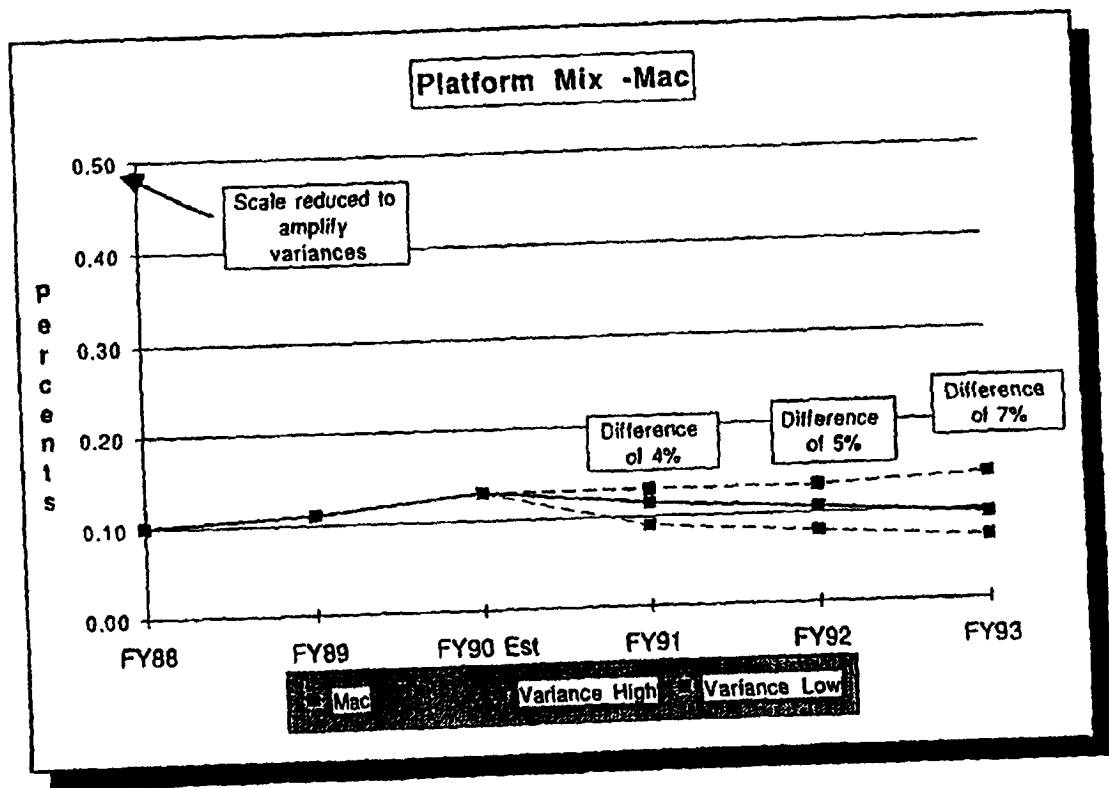
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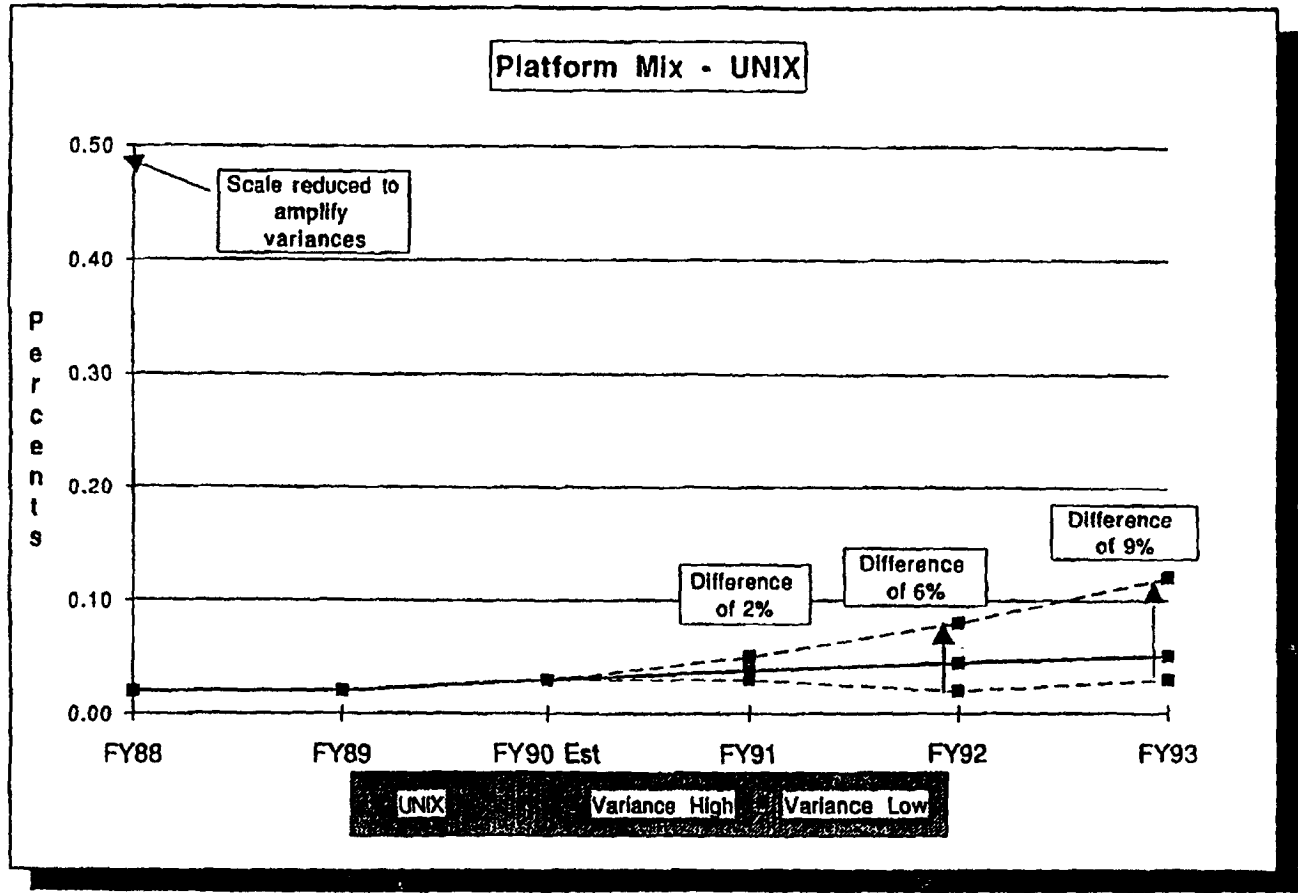
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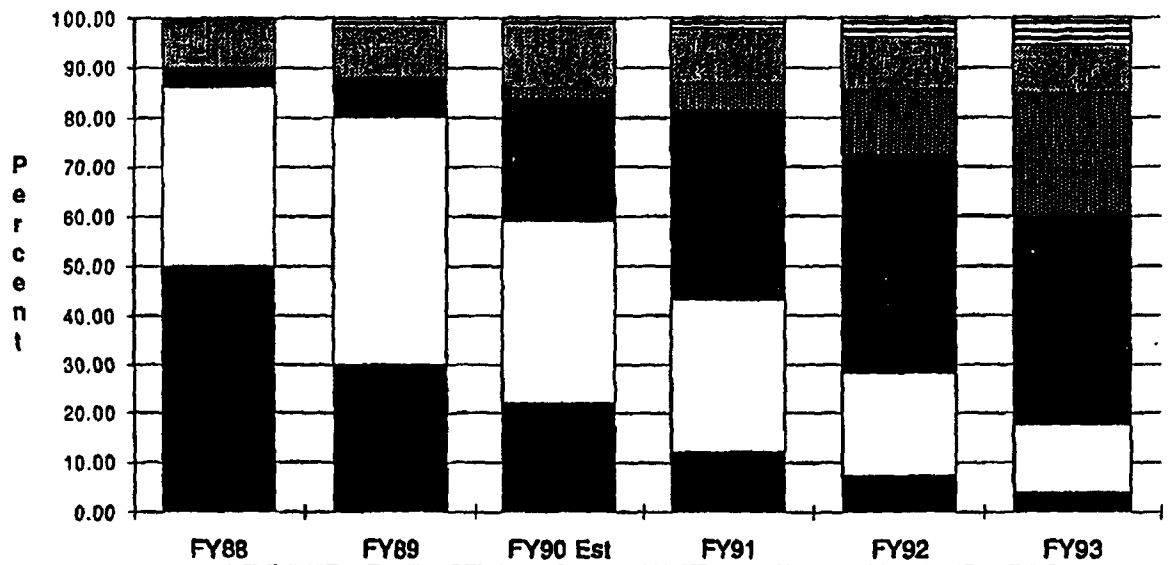
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Five E

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Processor Mix



RISC
 680xx
 80486/586/686
 80386
 80286
 8088/8086

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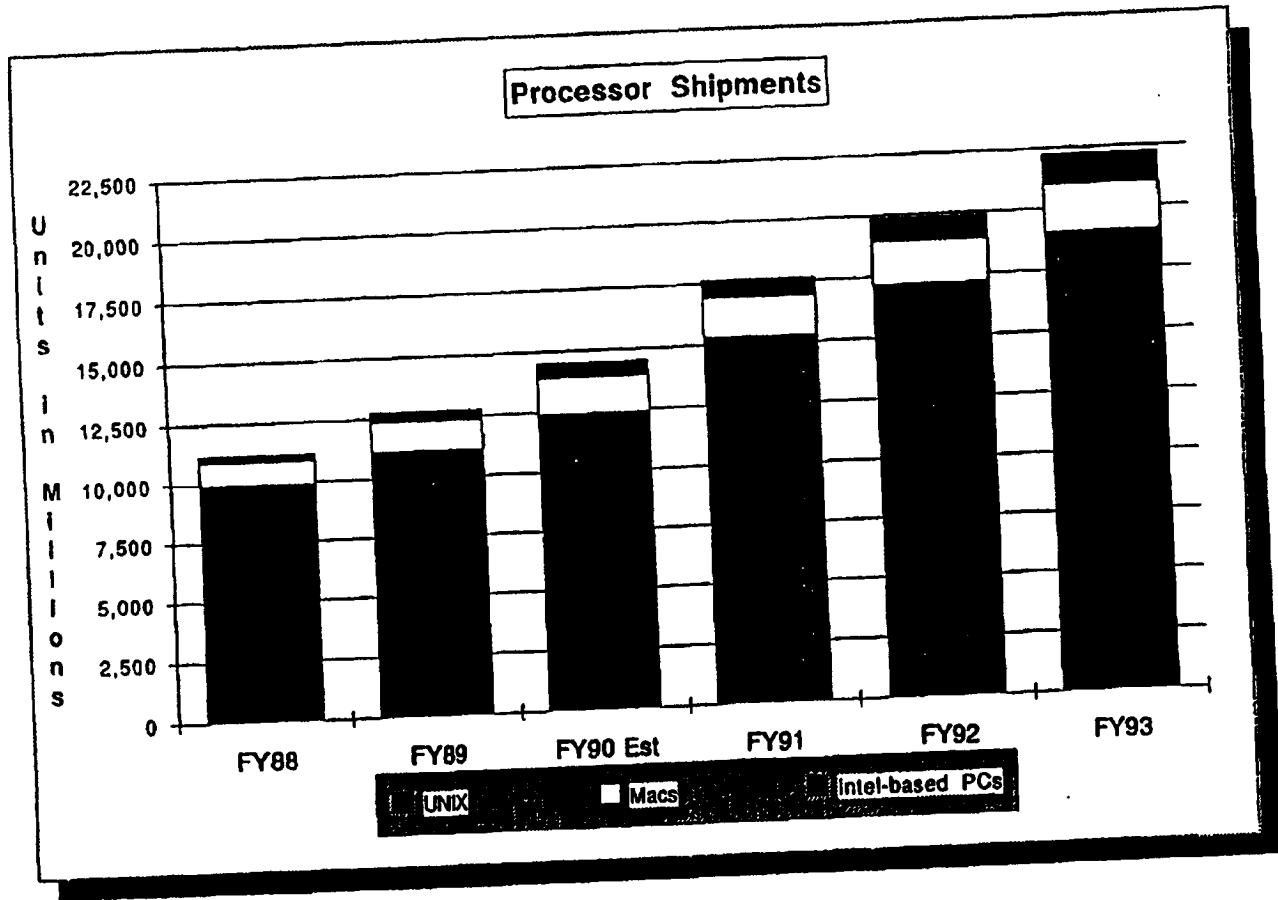
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Processor Shipments



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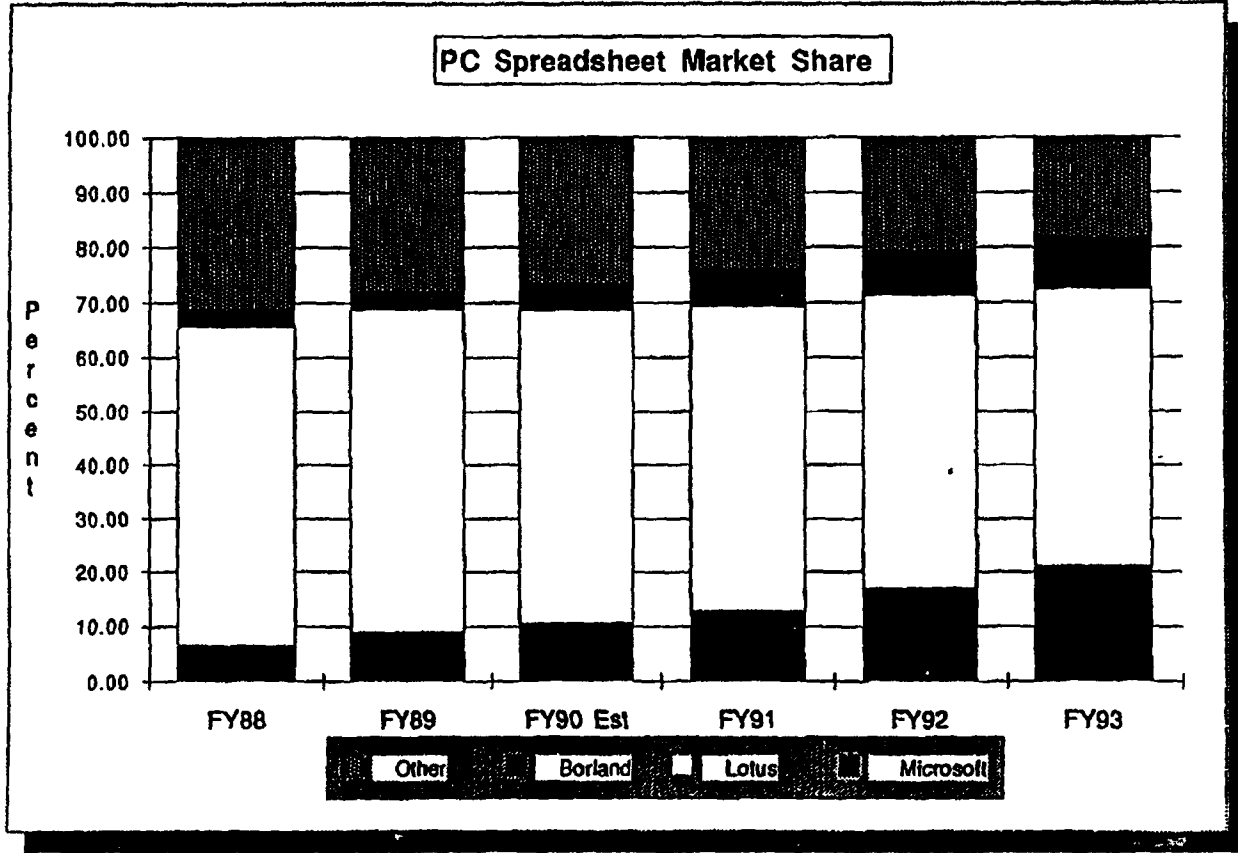
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PC Spreadsheet Market Share



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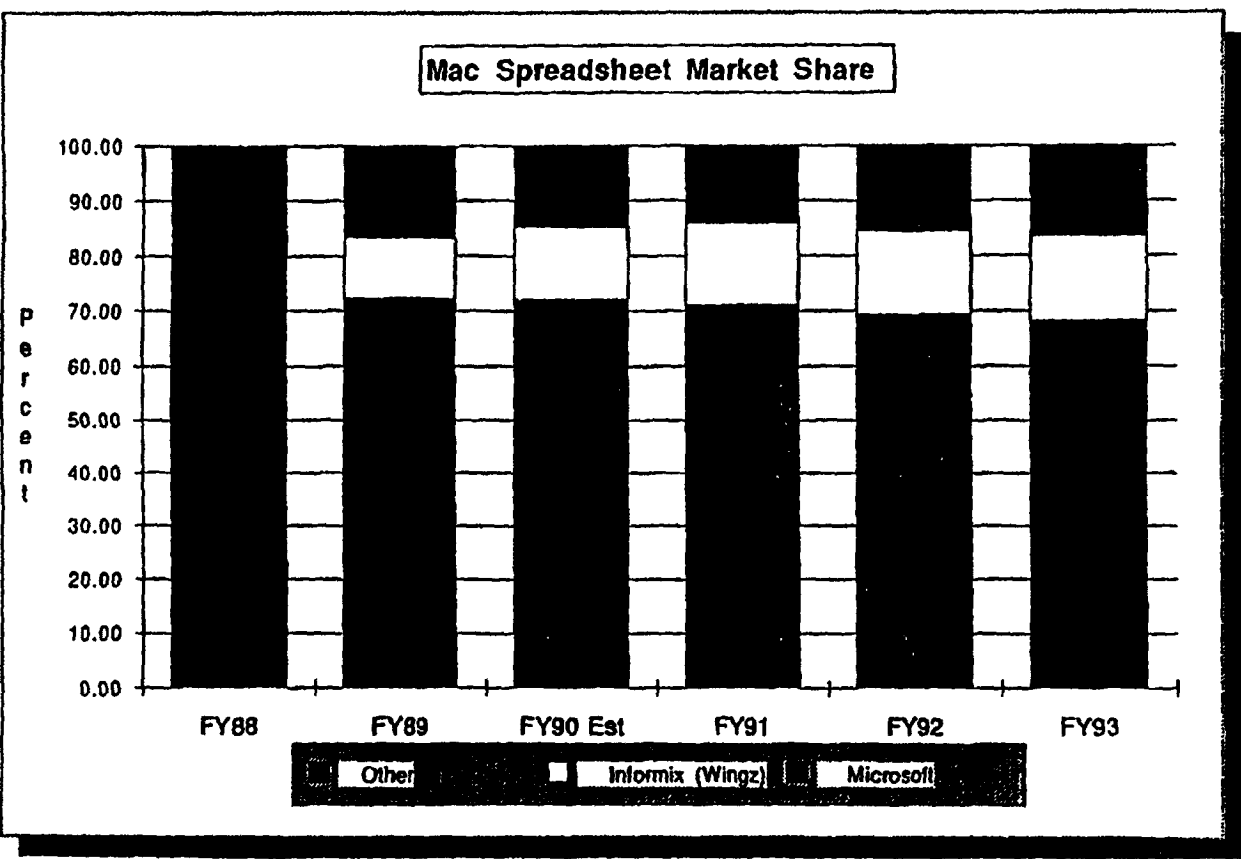
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Mac Spreadsheet Market Share



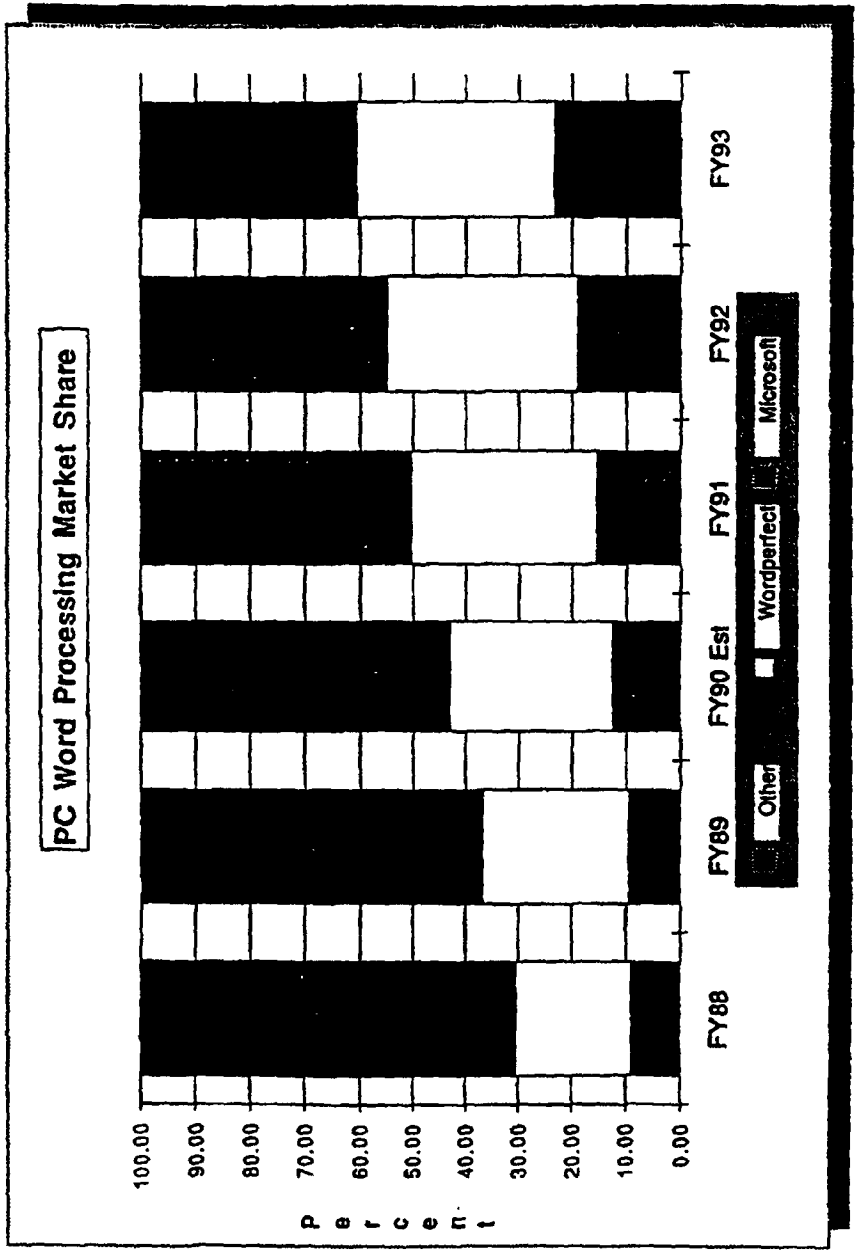
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PC Word Processing Market Share

100.00
90.00
80.00
70.00
60.00
50.00
40.00
30.00
20.00
10.00
0.00

P e r c e n t

FY88 FY89 FY90 Est FY91 FY92 FY93

Other Wordperfect Microsoft

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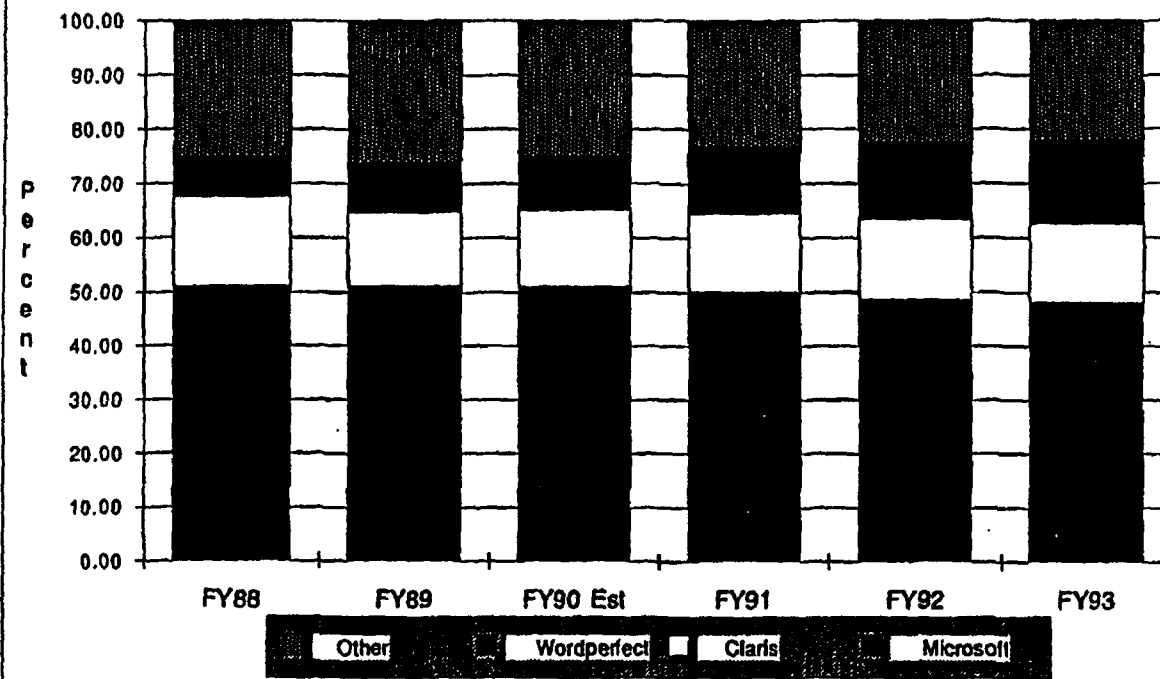
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Mac Word Processor Market Share



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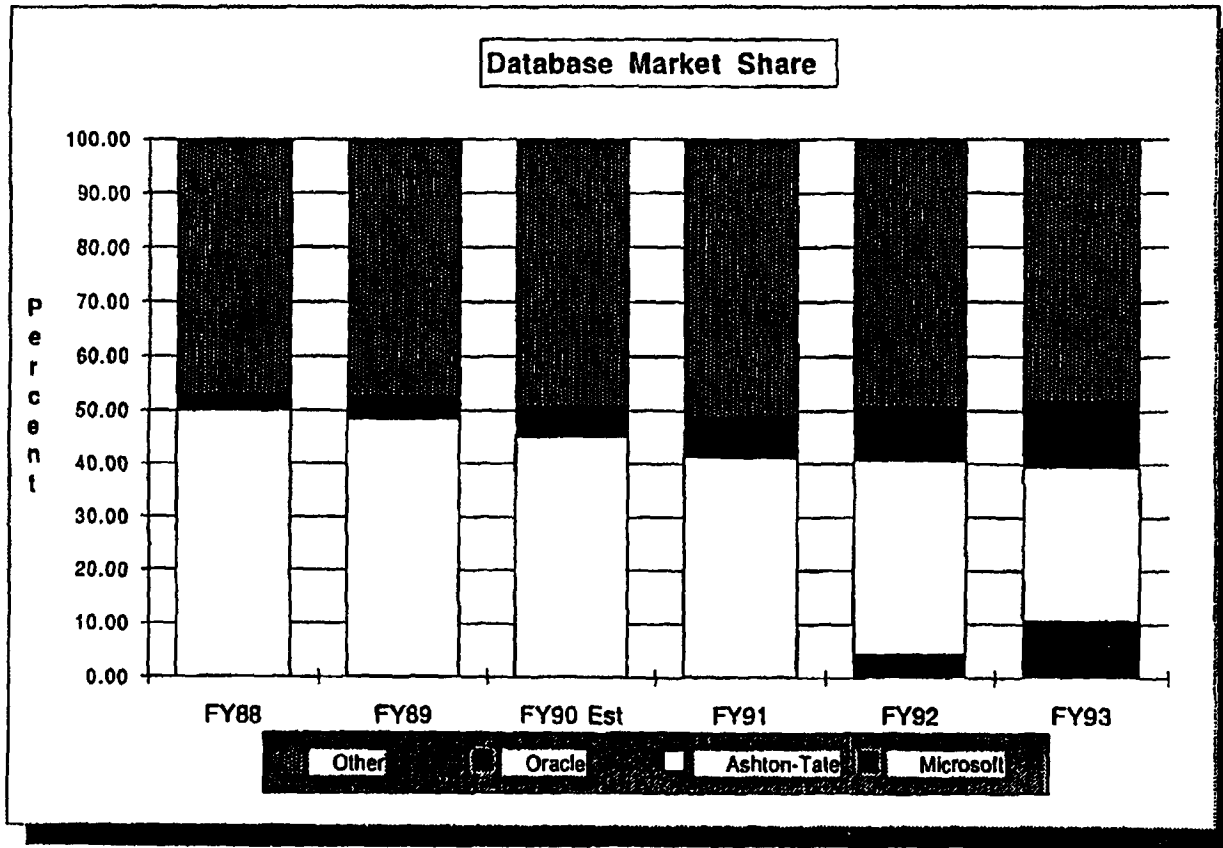
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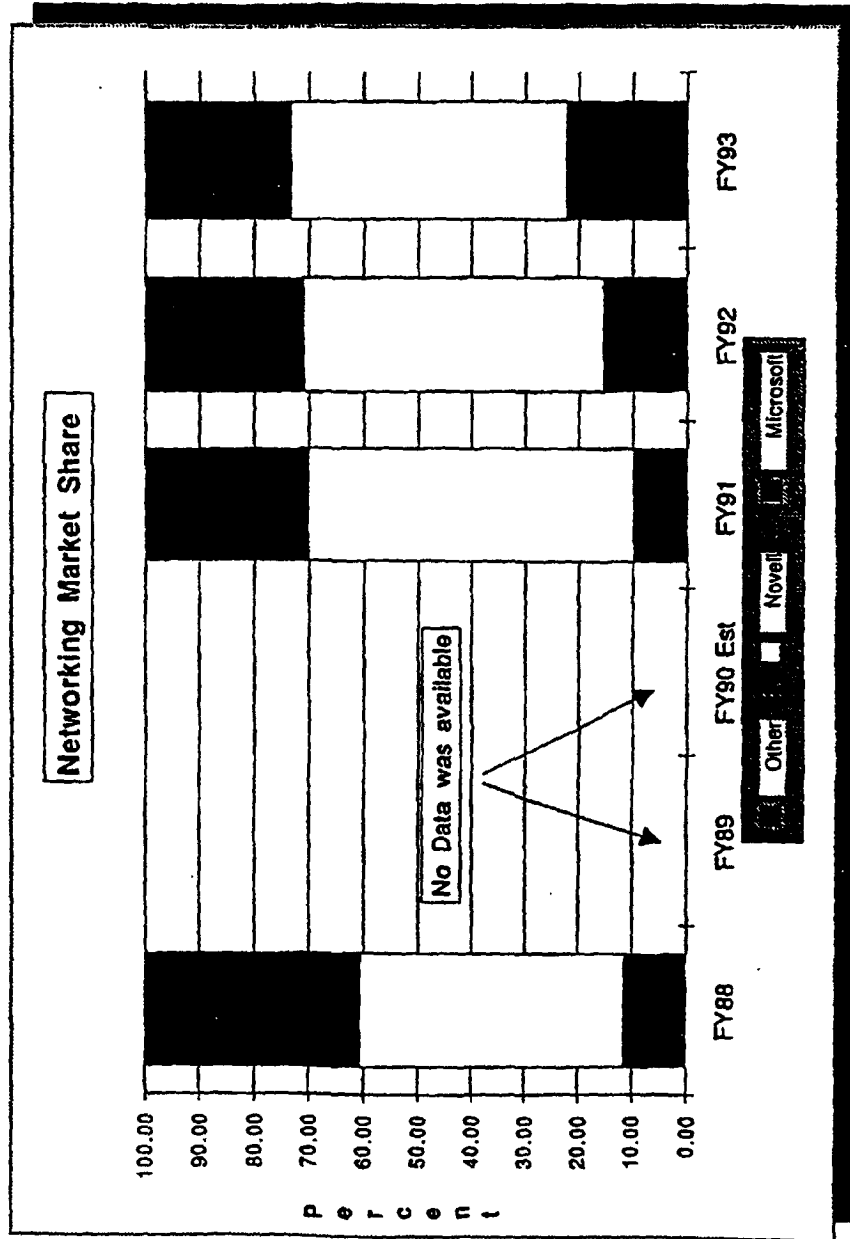


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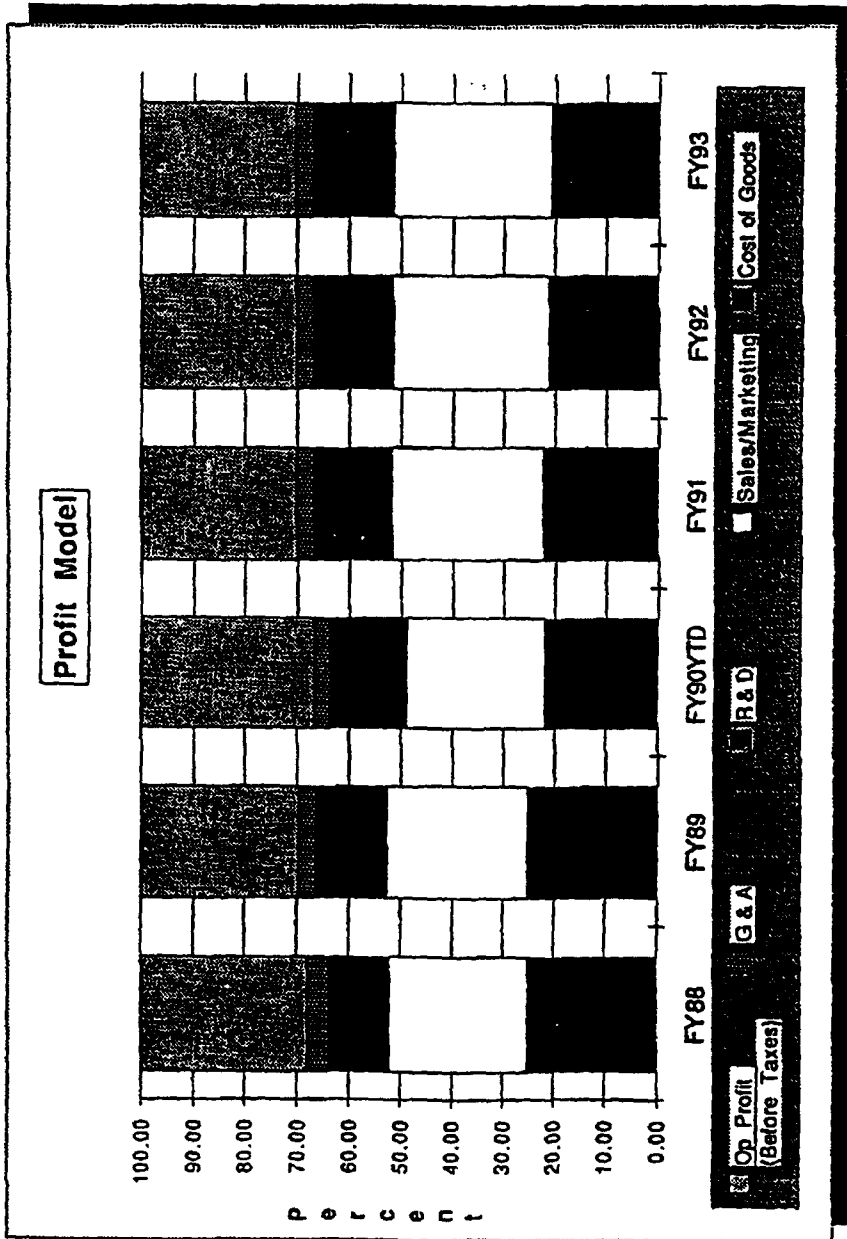
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Nine

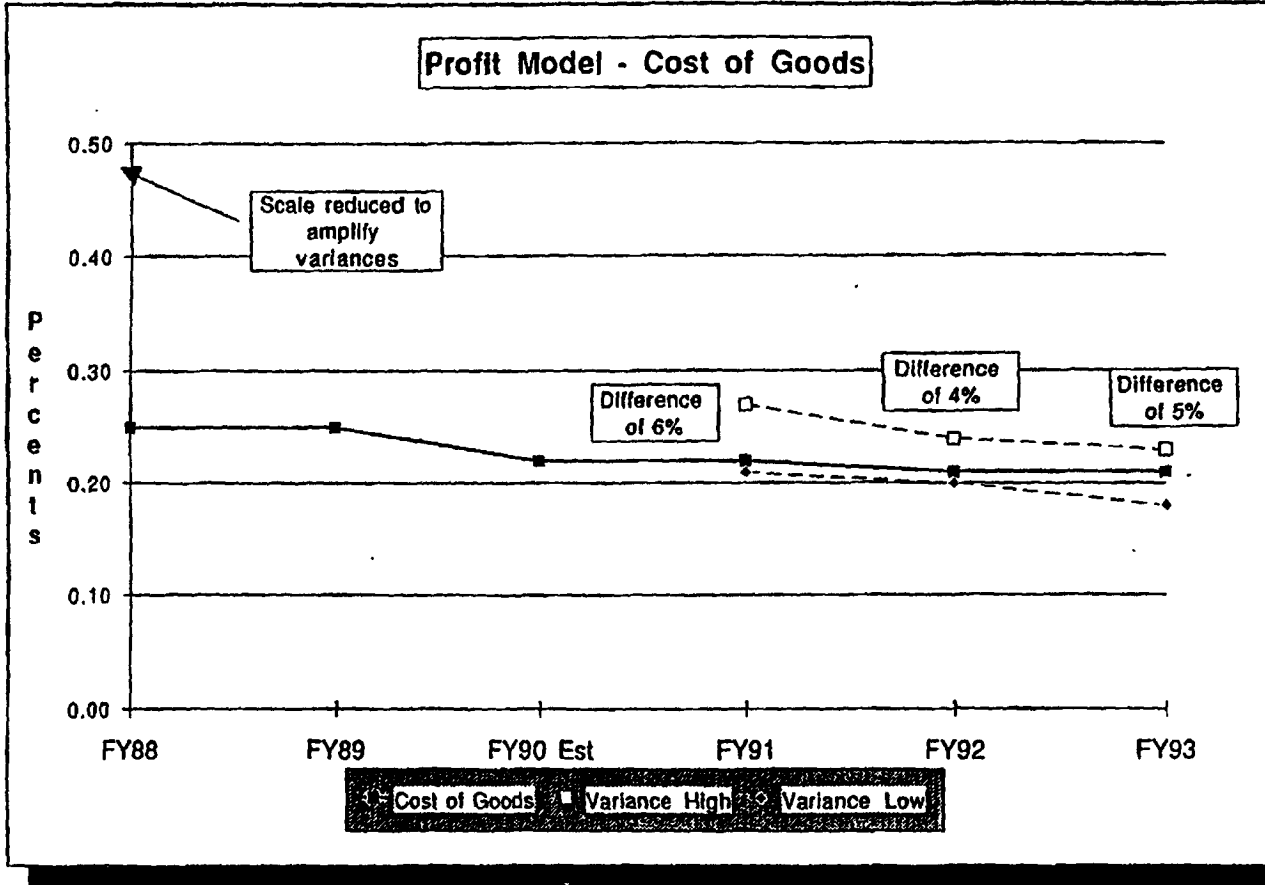
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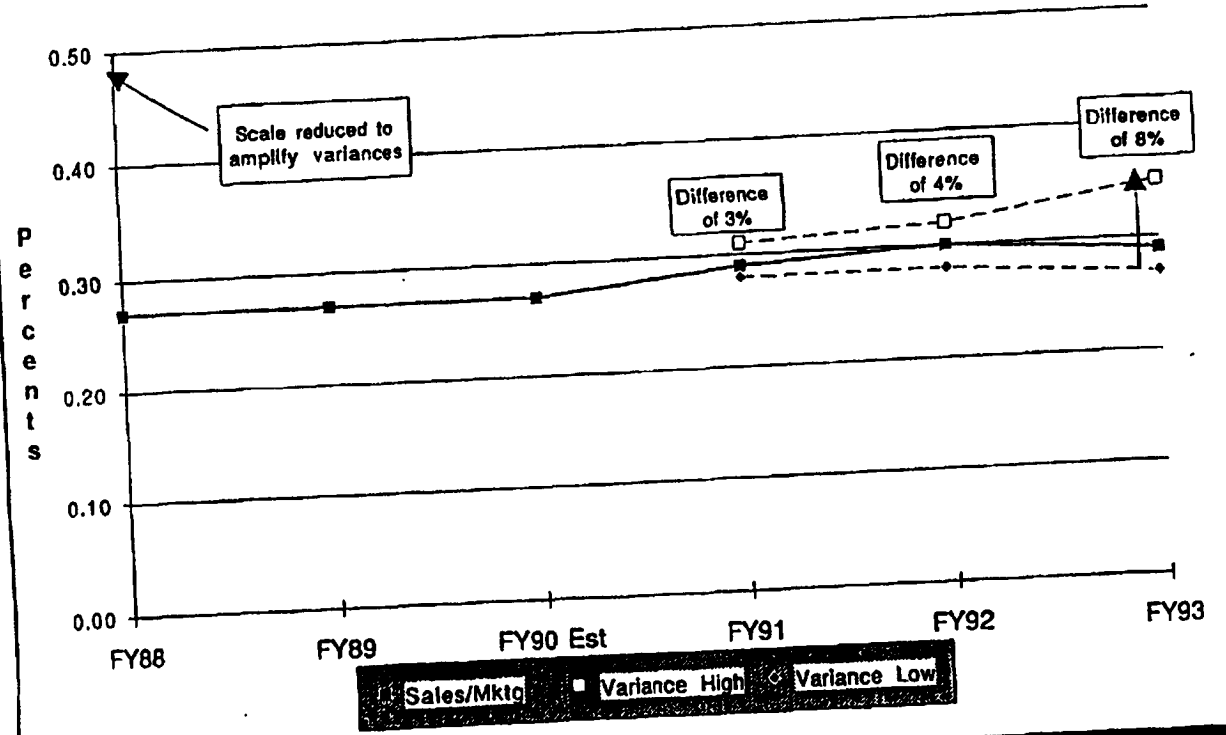
Profit Model - Cost of Goods



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Profit Model - Sales & Marketing



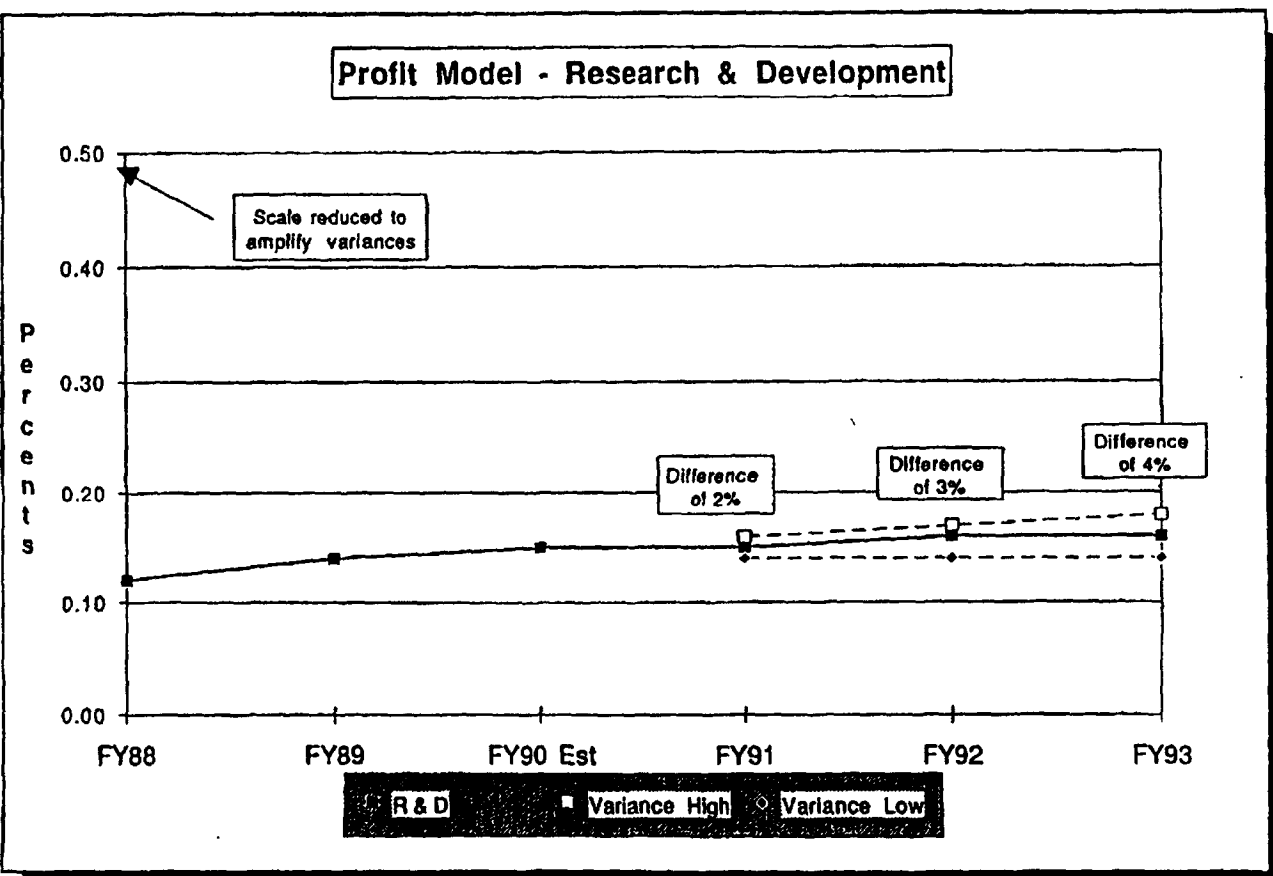
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Profit Model - Research & Development



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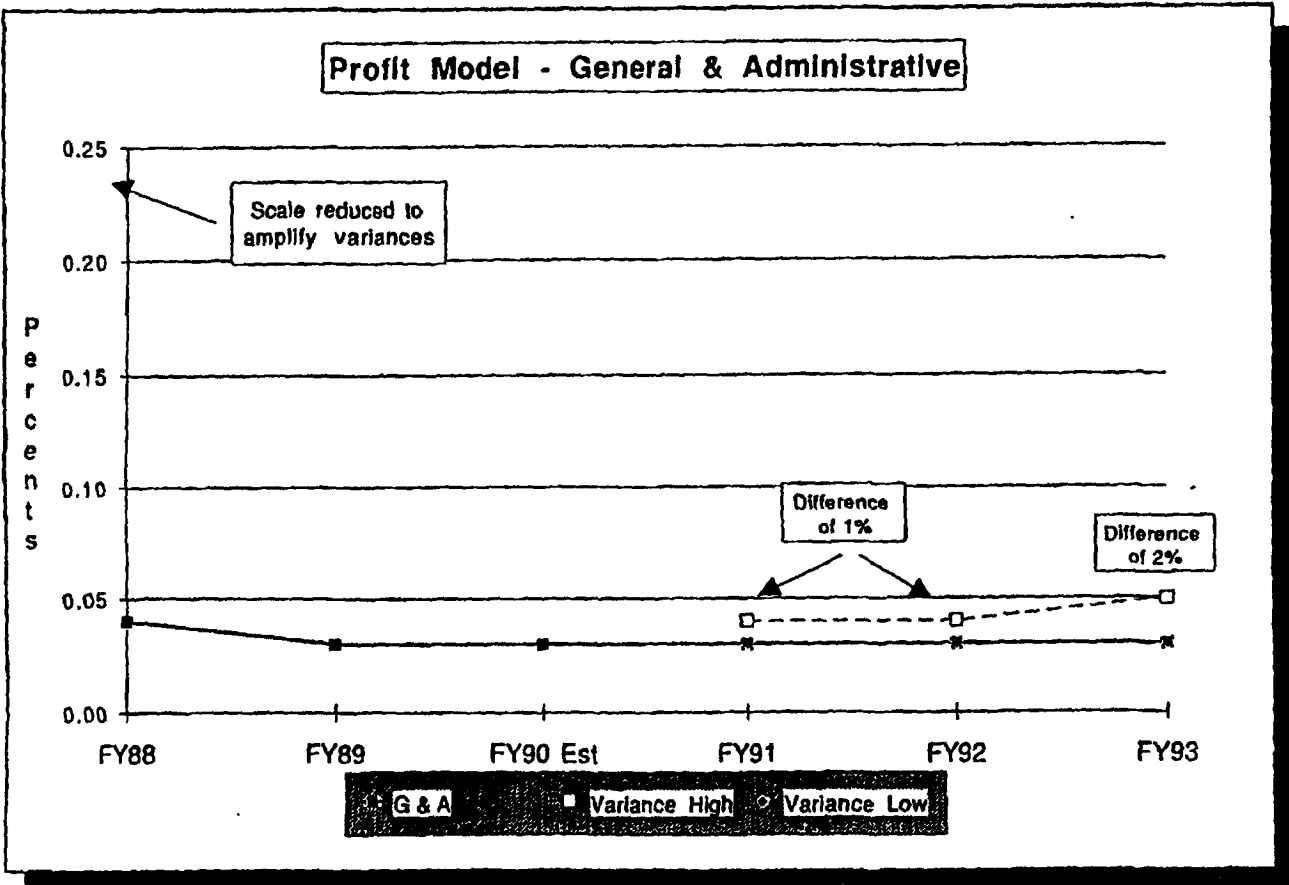
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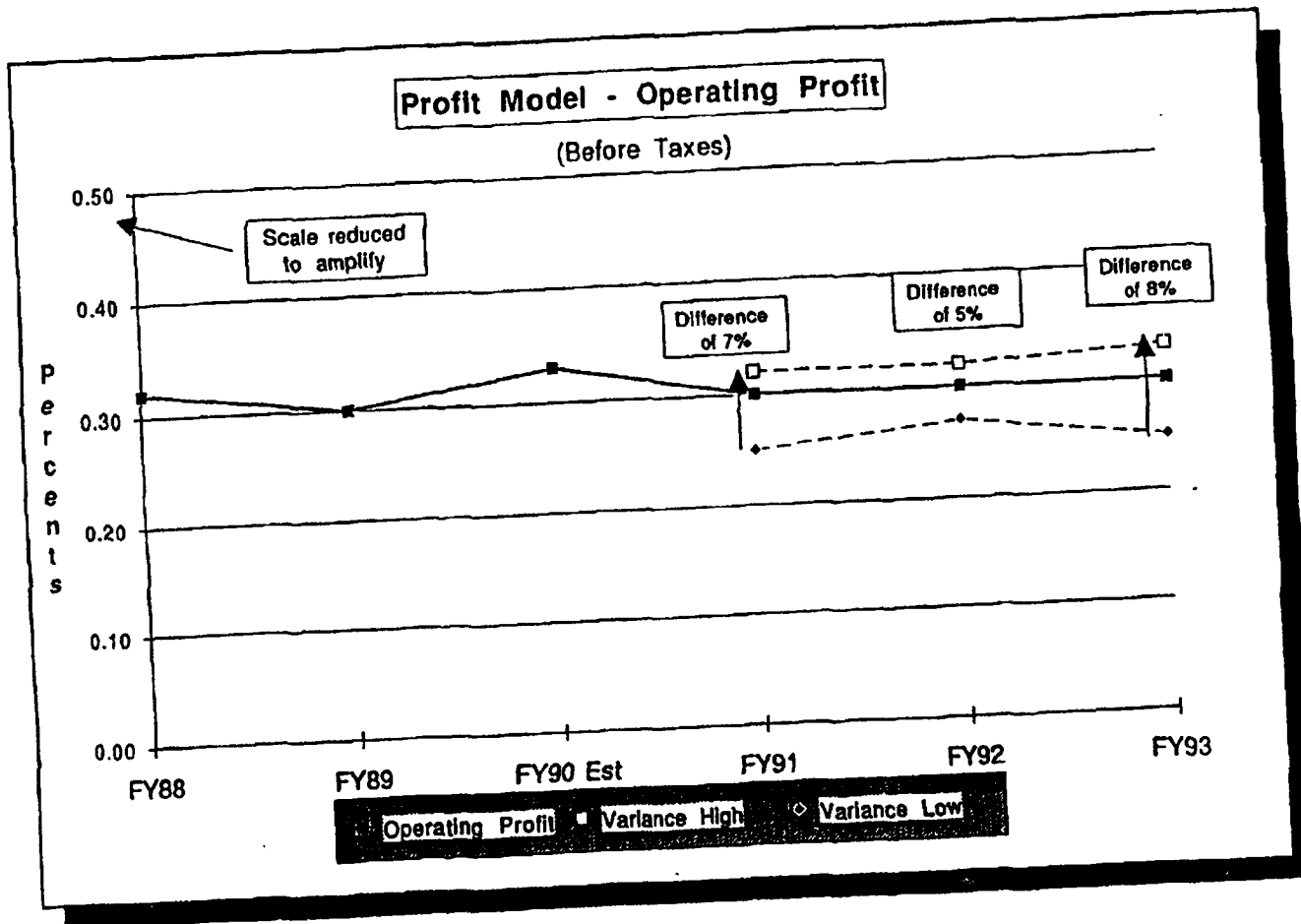
Profit Model - General & Administrative



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Top Five Competitors in 1993*

- 1. Lotus/Novell**
- 2. Oracle**
- 3. WordPerfect**
- 4. Unix**
- 5. Borland**
- 6. Aldus**
- 7. IBM**
- 8. Sun**
- 9. DEC**
- 10. Computer Associates**
- 11. Ashton Tate**
- 12. Japanese**
- 13. Nintendo**

* *All competitors that were mentioned-no particular order or rank.*

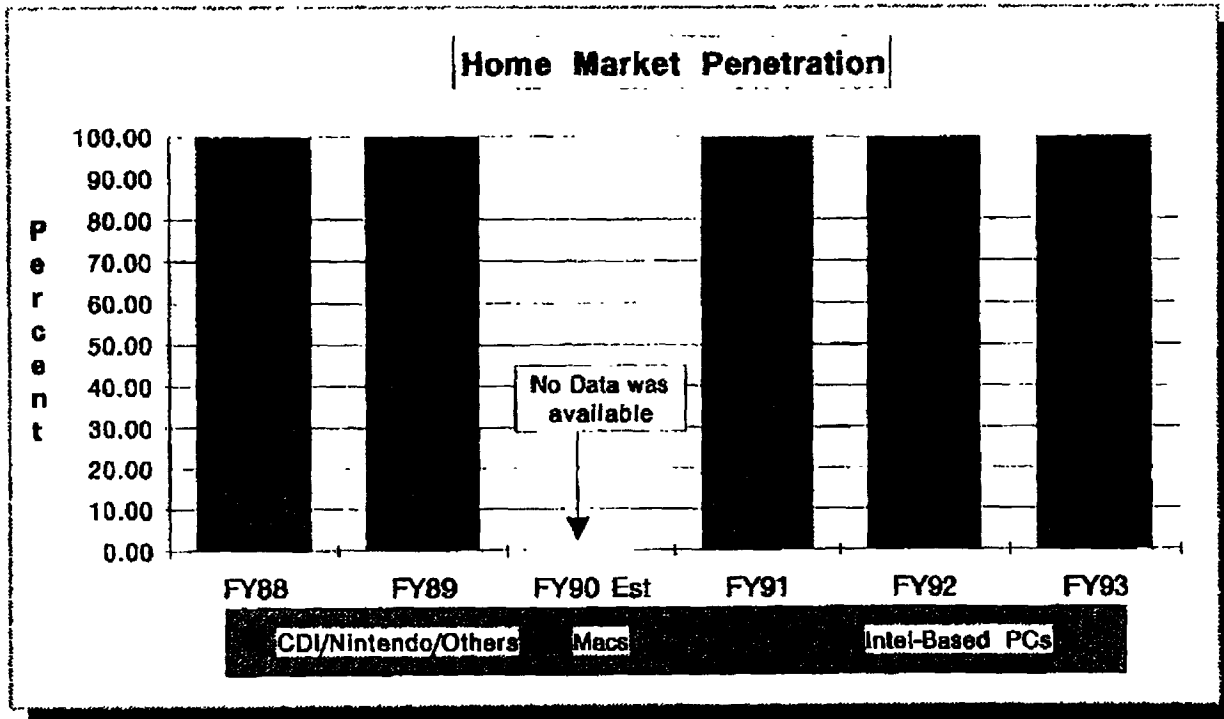
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Ten

Home Market Penetration



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Eleven

Comments on Direction and Vision

Paul Maritz

Dealing with cross business units/complex issues:

- application integration strategy
- MS "office vision"
- need for new sales/support approach.

Developing next generation/level of management/leadership.

Doing more prototyping, sponsoring of R & D, renewal of internal vision/exposure.

We are executing very expensive strategy (systems) - doing things multiple times.

Scott Old

Not investing enough money to "own" Windows computing. We should not only invest marketing dollars to make the

platform popular, but we should also be out aggressively buying Win Apps companies.

Jon Shirley

We are not focused as a company on making maximum advantage of the synergy of our multiple businesses. We need to

get Systems and Apps products, strategies, etc. aligned. No one owns this.

We are not taking advantage of our cash pile. If home computing/multimedia will really happen, we should look for acquisitions.

We still do focus on the customer enough.

Mike Hallman

Make sure we use more of what we sell, i.e. Mail, LanMan.

Clear consensus on customer service/support, i.e. best in industry, match competitor, feel free, etc.

Bill Gates

Unb/openness positioning

Affects of stock options past & future

(a lot of rich people, not so great in the future)

Pushing vision/technology/customer needs into products fast enough

example: Networking/Data storage

Getting product groups to work together on scenarios

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Comments on Direction and Vision

Mike Maples

Management development
Transition from productivity tools to total system solution company
Changing distribution - Direct, Electronic
Product/Customer Support strategy

Bob McDowell

It is not so much a failure to address the issue rather a need to be more aggressive in at least two areas. First, we are not received as an office automation vendor in large corporations by many service managers. We need to be viewed in the same light as DEC, IBM, HP and others. This is both a product challenge and a marketing position challenge. Seriously, we need to better position ourselves as a service company and we need to clearly articulate the range of service available from MS as clearly as we focus on product features.

Rich MacIntosh

Short term - we all need to get behind the FY '91 year of GUI.
Mid-term - I hope everyone understands the importance to winning with an outstanding field sales/support organization and building strong "subs" on Business units (districts) in the U.S.
Long-term - somewhere in our growth and our success we missed the significance of the customer! I don't mean the resellers - we are in okay shape with them and always improving. I mean end users. Do we understand customer satisfaction? I can't. Do we try to keep life time customers? What on earth is our support ideology? Who stay up nights worrying about it?
Recommendation: a small executive committee to present 2 times a year on special proposals as to how to become a "greater" company.

Frank Gaudette

We are the great Software company!
How to continue is the question, to do so we need to
Correct in more real time, i.e. not let non-productive R & D drag on
Keep things simple, i.e., smaller is better
Stress customer
Stress Quality - quality starts with R & D
Maintain strict fiscal responsibility

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Comments on Direction and Vision

Jeremy Butler

We should establish a "sub" model of operations for U.S.

Product divisions become true worldwide focused organization

We need a decision making process broader than the current one.

Yes, it will slow us down a bit.

We need Mail and Directory services products badly.

This is even more important than Omega/Cirrus

Min Yee

True research - we are still mostly smart scavengers.

Retaining scale, structuring, compensation and decision making to reflect size of Microsoft.

Building a great product - savvy sales organization (especially in the U.S.).

Acquisitions: Ashton Tate, Lotus

Steve Ballmer

More time to focus on strategy

More teamwork on key cross-group issues

Growing more leaders

Broader groups of people understanding and conversant in our vision and strategy

Strengthen our program management ranks

Less NIH

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