

News Release

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AVANADE ANNOUNCES INTENT TO ACQUIRE AZALEOS CORPORATION

Acquisition of Azaleos Expands Avanade's Leadership Position in Managed Services for Microsoft Communication and Collaboration Technologies

SEATTLE – Nov. 13, 2012 – Avanade, a global business technology solutions and managed services provider, today announced it has signed a definitive agreement to acquire Azaleos Corporation, headquartered in Seattle. Azaleos is a leading provider of remotely managed services for Microsoft® Exchange, SharePoint® and Lync®, using advanced software to remotely monitor and manage email, collaboration, and unified communications systems. As part of the acquisition, all of Azaleos' approximately 200 employees will be offered an opportunity to continue to support the Azaleos business at Avanade. Terms of the transaction were not disclosed.

Research from several industry analyst firms indicates strong growth for Microsoft Exchange and SharePoint over the next several years in both public and private cloud delivery models. At the same time there is significant and growing demand for managed services by organizations that require a dedicated infrastructure, high availability for critical business systems and functionality similar to that found in on-premises solutions. For many compliance-conscious enterprise customers, Azaleos provides the right combination of service quality with security and control.

Adam Warby, Avanade CEO, said, "Azaleos' unique technology provides customers with the functionality and familiarity of Microsoft technology delivered in a way that provides more control at a lower cost, while offering enterprise service levels above the industry average. Avanade's global reach will allow our multi-national customers to realize results from Azaleos' advanced technology and services platform. After closing, Azaleos and Avanade will work together with our customers to explore new managed services offerings of additional Microsoft technologies."

Azaleos' predictive analytics helps companies optimize performance and ensure consistently reliable uptime of email, collaboration and unified communications systems. Enterprises using Azaleos' services can typically save between 15 and 20 percent over traditional outsourcing or hosted offerings while also achieving high quality service levels. Additionally, as BYOD compels CIOs to incorporate increased enterprise mobility strategies into their business, Azaleos offers companies mobile device management services.

"Our rapid growth since we started in 2004 is attributed to our outstanding customer service and the business benefits our technology delivers for customers such as the Centers for Disease Control and Prevention (CDC), Mediq, BECU and Chiquita," said Phil Van Etten, Azaleos CEO. "Our specialized focus in Microsoft collaboration and communications means we can help our customers ensure their systems stay up and running smoothly – in many cases more effectively and more cheaply than managing these systems themselves. To capture more of the market opportunity faster, we believe Avanade's global leadership in Microsoft services and our shared passion to help customers succeed made them the right partner for us."

In 2011, Azaleos Corporation was ranked in the top 30 of Deloitte's Technology Fast 500™, which recognizes the 500 fastest growing technology, media, telecommunications, life sciences and clean technology companies in North America. The company's growth reflects an increasing preference among organizations to delegate management and maintenance responsibility for their infrastructure including messaging, collaboration and unified communications systems to third party experts.

The acquisition is subject to closing conditions, including receipt of required regulatory approvals and is expected to close within 30 days.

About Azaleos

Azaleos Corporation provides managed email, collaboration and unified communications services available in private cloud, on-premise or mixed deployment architectures. Azaleos' 24x7 managed services for Microsoft Exchange, SharePoint, Lync, and AirWatch MDM improve availability, security and performance, while reducing maintenance time and costs. The patented AzaleosX technology platform enables customers to maintain control over servers and data including their location, while uptime, maintenance, and support is proactively handled by certified experts in Azaleos network operations centers. Hundreds of companies from Fortune 500 to mid-market enterprises rely on Azaleos to manage their collaboration infrastructures and address issues before users ever know they exist. A member of the National Systems Integrator program (NSI), Azaleos is one of Microsoft's top 34 partners in the U.S. Azaleos investors include Ignition, Frontier Capital and Second Avenue Partners.

About Avanade

Avanade provides business technology solutions and managed services that connect insight, innovation and expertise in Microsoft® technologies to help customers realize results. Our people have helped thousands of organizations in all industries improve business agility, employee productivity, and customer loyalty. Avanade combines the collective business, technical and industry expertise of its worldwide network of experts with the rigor of an industrialized delivery model to provide high quality solutions using proven and emerging technologies with flexible deployment models—on premises, cloud-based or outsourced. Avanade, which is majority owned by Accenture, was founded in 2000 by Accenture LLP and Microsoft Corporation and has 17,000 professionals in more than 20 countries. Additional information can be found at www.avanade.com.

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Forward-Looking Statements

Except for the historical information and discussions contained herein, statements in this news release may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied.

These include, without limitation, risks that: Avanade and Azaleos will not be able to close the transaction in the time period anticipated, or at all, which is dependent on the parties' ability to satisfy certain closing conditions; the transaction might not achieve the anticipated benefits for Avanade; Avanade's business could be negatively affected if the company cannot expand and develop its services and solutions in response to changes in technology and client demand; the management consulting, systems integration and technology markets are highly competitive and Avanade might not be able to compete effectively; Avanade's business could be negatively affected by economic and political conditions and the effects of these conditions on its clients' business and levels of business activity; Avanade's work with government clients exposes the company to additional risks inherent in the government contracting process; clients may not be satisfied with Avanade's services; Avanade could have liability or its reputation could be damaged if it does not protect client data or information systems or if its information systems are breached; Avanade's business could be negatively affected by legal liability that results from providing its solutions or services; Avanade's results could be adversely affected if its clients terminate their contracts with the company; liabilities could arise if subcontractors or other third parties with whom the company partners cannot deliver their project contributions on time or at all; Avanade's results of operations may be adversely affected by the rate of growth in the use of technology in business and the type and level of technology spending by its clients; Avanade's profitability may suffer if it is not able to maintain favorable pricing rates and utilization rates or if the company cannot control costs; Avanade's global operations are subject to complex risks, some of which might be beyond its control; Avanade's business may be adversely affected if it is unable to keep its supply of skills, including those personnel currently employed by Azaleos, and resources in balance with client demand; Avanade may be unable to achieve its business objectives if the company cannot manage the organizational challenges associated with the scope of its operations; Avanade has only a limited ability to protect its intellectual property rights, and its services or solutions could infringe on the rights of others or it could lose its ability to use the intellectual property of others; Avanade's ability to attract or retain business may depend on the company's reputation in the marketplace; loss of the company's significant corporate relationships with Accenture and Microsoft could reduce its revenue and growth prospects; Avanade has a limited ability to set its own independent strategies, and its business strategy and direction may be dictated by Accenture's overall business strategy; Avanade relies on Accenture for the majority of its revenue, and the loss of that revenue would have a significant adverse impact on Avanade's results of operations and may affect its ability to continue to operate; Avanade's global delivery network relies on Accenture, and the loss of that network would increase Avanade's operating expenses; Microsoft has certain minority rights, and may exercise those rights to protect its own interests, which may not align with Avanade's; and Avanade is committed to using Microsoft-related technologies, and the company's inability to use those technologies would adversely impact its results of operations.

Statements in this press release speak only as of the date they were made, and Avanade undertakes no duty to update any forward-looking statements made in this news release or to conform such statements to actual results or changes in Avanade's expectations.

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