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Microsoft Debuts New Features for MSN TV 2 Internet & Media Player
Update features greater capabilities for broadband and dial-up customers.

MOUNTAIN VIEW, Calif. — Aug. 25, 2005 — The MSN TV division

(<http://www.msntv.com>) of Microsoft Corp., a leader in the delivery of interactive services for television, has launched its latest software update for the MSN[®] TV 2 Internet & Media Player. This update will be automatically downloaded to users' MSN TV 2 players and will include enhanced capabilities for managing digital photos, music and e-mail.

The MSN TV 2 Internet & Media Player allows consumers to access the Internet and e-mail and to view Web-based video content on their television screens. The update will allow broadband and home network customers to view more of the video content added to the MSN TV 2 home page with video news clips updated throughout the day.

MSN TV 2 users who have purchased and downloaded Microsoft[®] Windows Media[®]-compatible digital music (for example, from MSN Music or Napster) onto their PCs can now play that digital content via their MSN TV 2 players even if files are protected by Windows Media Digital Rights Management. The new MSN TV 2 Music home page will offer more music news as well as access to new music videos and more than 1,000 commercial-free Internet radio stations. In addition, new playlist features allow users to determine the order of song lists or choose to play them in a random order.

“We’re constantly engaged with our users to find out what new features they would like to see added to our product,” said Sam Klepper, general manager of MSN TV at Microsoft.

“These new capabilities will give our users additional digital media options and e-mail functionality.”

An updated Photo home page makes it easier to view and manage photos. Eight thumbnail images of the most recently viewed photos are automatically displayed on the home page, whether they are stored on a home-networked PC, in e-mail or on the MSN TV 2 Internet & Media Player. In addition, images embedded in e-mail messages can be viewed directly in the Photos area, eliminating the extra steps of downloading files and opening messages.

This update also will give MSN TV 2 broadband and dial-up customers more control over e-mail management than before. Users can now have their MSN TV 2 player check for e-mail at scheduled times and alert them to new messages via the message light on the front of the MSN TV set-top box. In addition to receiving message alerts, all subscribers can now read and check e-mail from other providers (via POP e-mail retrieval) in their MSN TV mail inbox via a computer and can create and manage group e-mail lists via their e-mail address book.

About MSN TV Service

Based in Mountain View, Calif., MSN TV service is a product group within Microsoft’s MSN division that makes use of everyday technology to help people of all ages and abilities get connected and stay connected to the people around them. By connecting to a television and existing phone line or broadband connection, MSN TV service subscribers can surf the Web, send and receive e-mail, chat, and create instant messages using world-class MSN services such as MSN Messenger and MSN Search.

Formerly WebTV, MSN TV service was acquired by Microsoft in 1997 and renamed in July 2001 to better reflect the natural synergies between the WebTV® service and the vast array of Microsoft and MSN resources. In October 2004, MSN TV unveiled the new MSN TV 2

Internet & Media Player. More information on MSN TV and the new MSN TV service payment plans can be found at <http://www.msntv.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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