Microsoft and Toyota Announce Strategic Partnership on Next-Generation Telematics

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Click here to read remarks by TMC President Akio Toyoda and Microsoft CEO Steve Ballmer

REDMOND, Wash., and TOYOTA CITY, Japan — April 6, 2011 — Microsoft Corp. and Toyota Motor Corp. (TMC) today announced they have forged a strategic partnership and plan to build a global platform for TMC's next-generation telematics services using the Windows Azure platform. Telematics is the fusing of telecommunications and information technologies in vehicles; it can encompass GPS systems, energy management and other multimedia technologies.

As part of the partnership, the two companies plan to participate in a 1 billion yen (approximately \$12 million) investment in Toyota Media Service Co., a TMC subsidiary that offers digital information services to Toyota automotive customers. The two companies aim to help develop and deploy telematics applications on the Windows Azure platform, which includes Windows Azure and Microsoft SQL Azure, starting with TMC's electric and plug-in hybrid vehicles in 2012. TMC's goal is to establish a complete global cloud platform by 2015 that will provide affordable and advanced telematics services to Toyota automotive customers around the world.

As part of its smart-grid activities, aimed at achieving a low-carbon society through efficient energy use, TMC is conducting trials in Japan of its Toyota Smart Center pilot program, which plans to link people, automobiles and homes for integrated control of energy consumption. TMC believes that, as electric and plug-in hybrid vehicles become more popular, such systems will rely more on telematics services for achieving efficient energy management.

Microsoft has a long history of delivering platforms and services to the automotive market, including in-car infotainment systems built on the Windows Embedded Automotive platform, in-car mapping services with Bing and the Microsoft Tellme voice application, and many other consumer solutions.

"Today's announcement of our partnership with TMC is a great example of how we continue to invest in the automotive industry and of our commitment to power the services that are important to consumers," said Microsoft CEO Steve Ballmer. "It further validates the power of the cloud, as the Windows Azure platform will provide the enterprise-grade, scalable platform that TMC needs to deliver telematics in its automobiles worldwide."

"This new partnership between Microsoft and Toyota is an important step in developing greater future mobility and energy management for consumers around the world. Creating these more efficient, more environmentally advanced products will be our contribution to society," said Akio Toyoda, president of TMC. "To achieve this, it is important to develop a new link between vehicles, people and smart center energy-management systems."

Virtual Press Conference Information

Following a signing ceremony today at Microsoft's Redmond, Wash.-based headquarters, Ballmer and Toyoda will hold a virtual press conference online from 1 to 2 p.m. PDT. Media can register for the event at http://www.studiosevent.com/press-event and ask questions of both company leaders. More information on the announcement is available at the Microsoft News Center at http://www.microsoft.com/newscenter or the Toyota

USA Newsroom at http://www.toyotanewsroom.com.

About Toyota

Founded in 1937, TMC (NYSE "TM") is a global automotive company with production in 27 countries and sales in more than 170 countries. Founded in 2000 as a wholly owned subsidiary of TMC, Toyota Media Service is a consumer IT service provider for Toyota automotive customers that actualizes the connected, in-car experience.

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.