

Microsoft® Money

Premium 2005

Reviewers Guide



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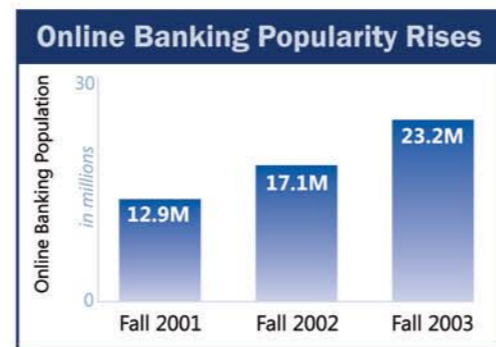
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Introduction

With more than 207 million Americans accessing the Internet from home, according to an April 2004 Nielsen//NetRatings report, the Web is firmly cemented into our daily lives. A handful of core activities have emerged, such as e-mail, and research that benefit from the Web's timeliness, speed and convenience. Personal finance is one of those key areas. More and more people are recognizing the benefits of online banking, which offers quick and easy access to account balances, statements and bill payment through the Internet. In fact, the number of people using online banking increased nearly 80 percent during the past two years, according to Nielsen//NetRatings @Plan data in September 2003.

While people are enjoying the speed and convenience of online banking, they're finding themselves hopping from Web site to Web site to check account balances, making it difficult to get a clear look at their complete financial picture. Up to now, most personal finance software has required too much manual entry, didn't offer the most current information from financial institutions, and wasn't easily accessible beyond one computer. The ideal personal finance solution would be as easy as banking online, but also as powerful as an accountant, and adaptable to the different ways consumers want to handle their finances — a challenge Microsoft Corporation chose to undertake.



Source: Nielsen//NetRatings @Plan, Fall 2003

The Solution

Introducing Microsoft® Money 2005, the automated personal finance solution that provides consumers with an effortless way to view, improve and optimize their finances. Signifying Microsoft Money's largest development effort since it was launched 13 years ago, Money 2005 has been rebuilt to simplify the way people handle their personal finances. The new Money combines the timeliness of online banking with automated tools, making it easy for people to view all current account balances, understand where their money is going and pay bills—at work, at home, or on the go.

Money 2005 for Everyone

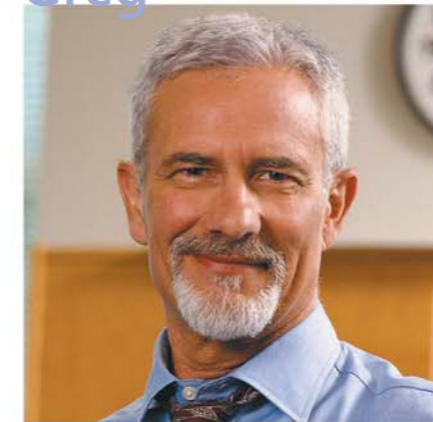
Much as a digital camera has two modes—the automatic settings for quick snapshots and the manual options for more customized portraits—Money 2005 introduces two options for financial management: the **Essential** mode and the **Advanced** mode. Like the flexibility of a digital camera, Money 2005 allows consumers to handle their finances their way—whether they want to stay at the big-picture view or quickly zoom into the details.

For example, if a consumer just wants to know her checking account balance and whether her paycheck has cleared, she can use the new **Essential Register**. On the other hand, if she wants to examine her statements and track spending categories in detail, she can use the **Advanced Register**. She also can toggle between the modes in other financial areas. For instance, if she is interested in managing the details of her investment portfolio, from stock price history to company information, but just wants to track checking, savings and credit card accounts from a basic level, she can do both using Money 2005. No matter what the preference, Money 2005 is adaptable to the way people want to handle their finances today and over time.

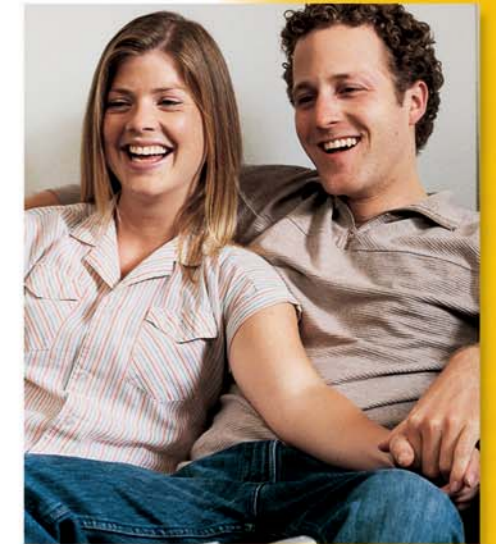
Meet Trisha and Greg

Trisha, a recent college graduate with a new advertising job, has an uncomplicated set of financial goals that include paying off a couple credit cards and her student loan while saving for a house. Greg, a 55-year-old married father of one, wants to pay off his mortgage, help his son through college and maximize his investments before he retires. In accordance with their different positions in life, Trisha and Greg have different styles and preferences when it comes to personal finance. Trisha simply wants to keep an eye on her financial picture; that is, her account balances and how she spends money each month. Greg, on the other hand, is more detail-oriented and likes to create custom budget categories, generate reports and itemize his spending. Money 2005 is the flexible solution that allows Trisha and Greg to handle their money based on their preferences.

Greg



The following pages of this guide walk through the ways Trisha and Greg use Money 2005 Premium to easily and quickly locate the tools and resources they need to tackle their finances, from handling accounts and bills, to tracking spending and budgets, to monitoring investments and planning for the future, to preparing and filing their taxes.



Trisha



Accounts and Bills

Trisha is online frequently and tracks her accounts and balances on her bank's Web site and through the ATM. Because she has several accounts with multiple banks and credit card companies, she spends a lot of time visiting different Web sites to see her statements and balances, and has to remember several usernames and passwords to access them. She doesn't want to be bothered with the detailed task of balancing her checkbook and doesn't even open her paper statements from the bank. In addition, she likes to be confident that her bills are paid on time, but she doesn't want to spend much time tracking them.

Greg, on the other hand, is a bit more particular and not only likes to know the precise amounts of his checking, credit card and retirement account balances, but likes to manually enter his transactions before the bank processes them and track his account details down to the penny. Like Trisha, he wants to be confident that his bills are paid on time, but he also likes to keep track of the statements throughout the year and file them.

Tracking All Accounts in One Place

Enhanced Setup Assistant. Money 2005 makes it easy to get started. No more hopping from one bank site to the next or remembering five passwords to get five account balances. In just two easy steps, Trisha and Greg can each see a snapshot of transactions and balances for all their accounts, including checking, savings, credit cards and investment accounts, even if they are with different banks or brokerages. Money makes it easy to get the most out of online banking. For example, once Trisha types in the username and password she uses to access her accounts at her bank's Web site, Money automatically pulls in data from all the accounts she has with that bank and generates a chart that analyzes her spending habits.

If Trisha has an account that she has not set up online, Money offers useful information from the bank or brokerage, such as the toll-free customer service phone number, to help her easily get started tracking her accounts on the Web. For a complete list of banks, credit cards or investment companies that connect to Money, consumers can visit <http://www.microsoft.com/money/>.

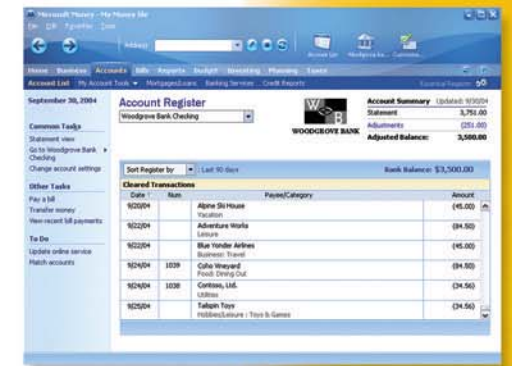


New Essential Register. Trisha, who wants a current snapshot of her accounts, will find that the Essential Register is right for her. The Essential Register displays current balances and transaction information for checking, savings, credit card and investment accounts. While in the register, Trisha can see her account balance after paying bills, and recent account activity, and quickly determine which transactions have cleared the bank.

Enhanced Advanced Register. Tailored for consumers such as Greg who prefer to track more personalized details in their account statements, the Advanced Register allows him to manage his checkbook electronically. With its new look and feel and resizable click-to-sort column headers, the Advanced Register provides more customization, empowering Greg to handle his accounts his way, from easily entering transactions that haven't cleared the bank, to personalizing his categories and e-payments.

Enhanced Auto-categorization. Money automatically and smartly categorizes transactions, such as identifying Starbucks as "dining out," to help people understand where their money is going without having to manually categorize any data.

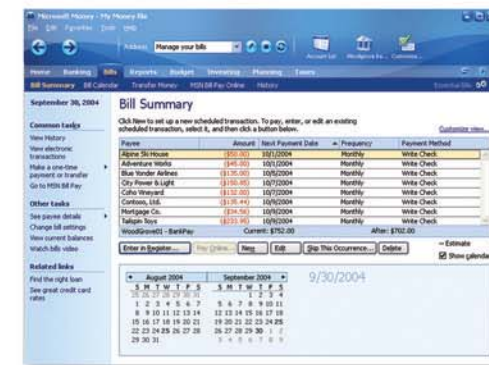
Background Banking. Demonstrating the powerful convergence of the Web and software, Money seamlessly connects to the appropriate bank, brokerage or credit card company to download consumers' updated account data—even when Money is not running.



Keeping a Step Ahead of Monthly Bills

Enhanced Bill Calendar. Integrated with the account register, the Bill Calendar makes it easier than ever to pay a bill and track adjusted account balances that include impending bills. In the **Essential** view, Trisha can get a quick snapshot of bills paid and payments due, while the **Advanced** calendar view allows Greg to track paychecks, deposits, investment purchases and regular transfers, in addition to bills. Both Trisha and Greg can look days, weeks, months or years ahead, or look back by clicking on the arrows at the top of the calendar.

Cash Flow. This tool helps predict income and expenses by forecasting bills with historical data. Greg may want to add earned interest to a cash flow analysis and designate which accounts should be assigned to specific transactions.

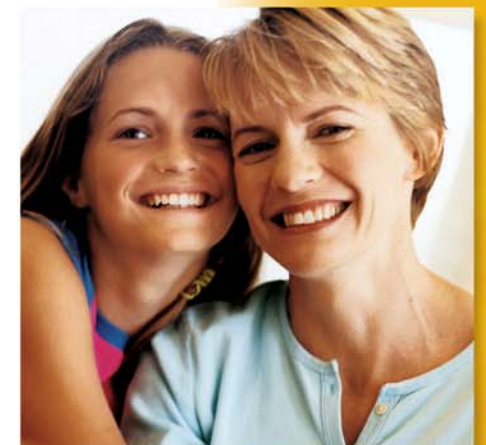


Budgeting, Spending and Generating Reports

Although **Trisha** likes to spend money, she doesn't know how it affects her financial situation, and tracking her income against expenses has become a challenge. Trisha would like to know the top three areas where she's overspending and how to keep a basic budget, although she doesn't want to spend a lot of time doing it.

Alternatively, **Greg**, as the bill payer of his family, likes to know exactly where his money is going and has a tendency to track every last penny. Greg is interested in creating a budget that's more detailed and that will let him generate a variety of reports to better understand his financial situation.

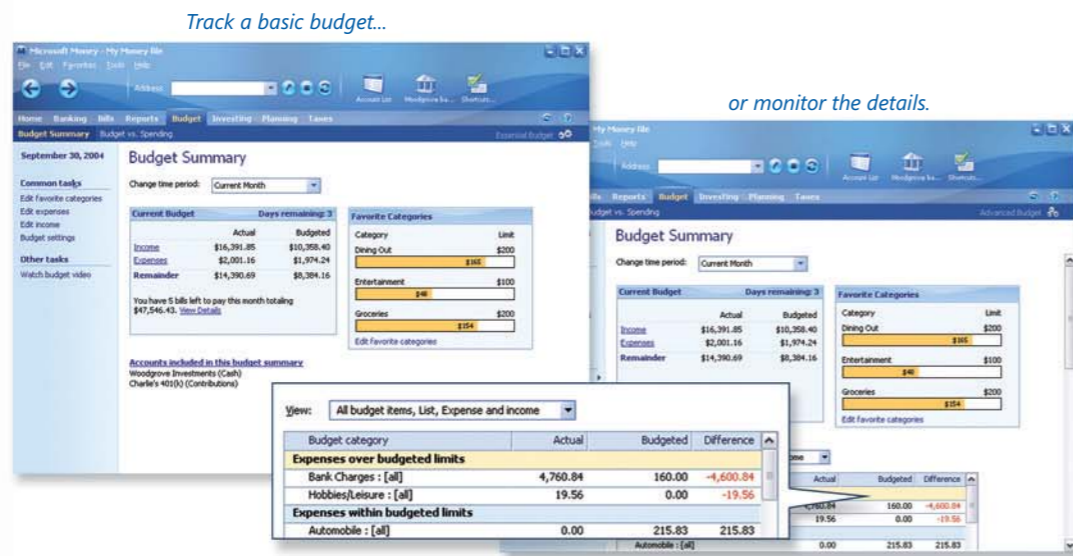
With the help of Money 2005, Trisha and Greg can track spending and budgeting the way they want. Trisha can quickly learn where she's overspending with a simple budget focused on a few key spending categories, while Greg and his family can access more sophisticated budgeting tools to help them generate detailed reports.



Budgeting

M **New Essential Budget.** This budget is best suited for Trisha, because it allows her to easily get a handle on all the day-to-day budgeting tasks without investing a lot of time to set it up. By transforming Trisha's spending categories into a useful snapshot of her actual monthly spending, Money allows her to see how she's progressing against her budget, compare her monthly income with her expenses, and see which bills are looming for the month and how many days she has left to pay them. The Essential Budget provides enough information to help Trisha keep her spending on track and meet her financial goals.

- **Enhanced Favorite Categories.** As do many people, Trisha frequently overspends in three categories—dining out, entertainment and clothes shopping—and would benefit from monitoring those spending areas more closely. Once Trisha identifies her trouble spots in the Favorite Categories, Money automatically tracks the daily status of those trouble spots and informs her when she overspends, enabling her to get back on budget.

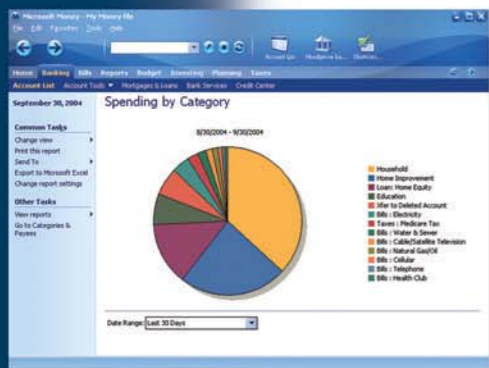


M **Advanced Budget.** For Greg, who prefers to track more personalized categories and regularly manage the budget details, the Advanced Budget is the better choice. This feature enables Greg to generate a more in-depth analysis of where his money is going. He can create a detailed budget with expenses in categories such as "car" and subcategories, such as "gas." The Advanced Budget also enables him to set up and access as many budgets as he wants, track irregular or one-time expenses, and reallocate funds from one budget category to another.

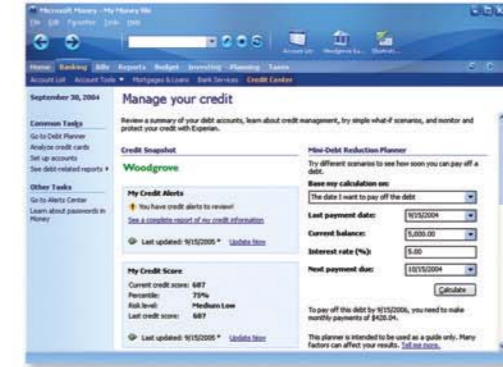
Spending

M **Enhanced Spending Analysis.** The Spending Analysis helps improve cash flow and reduce debt by classifying spending transactions for 30 categories, including up to five personally selected categories. This powerful feature automatically generates a detailed pie chart of customizable expense categories over multiple time frames, and shows dollar amounts and percentage breakouts for each area. Also, consumers can click on the chart and easily refine the analysis by adding or subtracting categories based on how their goals and situations change over time.

- **New Spending Average.** Money generates a monthly dollar average for spending in each category based on historical account data from the time the software was activated to the current date. This helps people better understand their spending habits to create a realistic budget.

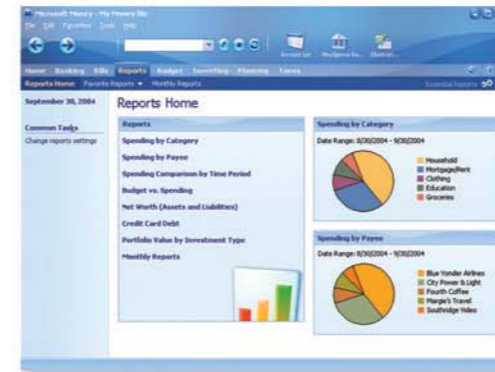


M **Credit Center.** The Credit Center takes the mystery out of credit scores and reports by providing a wealth of credit- and debt-related tools, information and guidance. This useful center provides an Experian credit report and one year of credit monitoring at no additional cost. With his detail-oriented style, Greg can access a thorough explanation of his credit profile, designed to help him better understand his individual situation, from his credit score and percentile ranking to his risk level and new credit report inquiries. From an overview, Trisha can see a monthly trend of her credit score, view a summary of her debt accounts, read educational content and generate what-if scenarios.



Generating Reports

M **Enhanced Reports Home.** Money 2005 generates diverse reports and charts, enabling Trisha and Greg to analyze key areas of their finances. Focused on spending and budgeting, **Essential Reports** are designed with the most important charts up front for consumers such as Trisha who want the overview chart or text-only analyses of spending, credit card debt and overall net worth. For Greg, Money offers **Advanced Reports**, providing more than 40 customizable, detailed reports and charts that delve into the particulars of areas such as spending and investing.



Investing, Planning and Taxes

Investing hasn't been a focus for **Trisha** in the short time she's been out of college; she is not contributing to her 401(k), but is considering it as a wise investment. Trisha is seeking easy-to-understand guidance on the stock market and wanting a quick look at market performance. To complicate matters, she also is considering buying her first home and would like to learn how that purchase will affect her overall financial situation and her income taxes in particular.

When it comes to investing, **Greg** is already putting money into his 401(k), although he doesn't look at his quarterly statements and doesn't know where he stands. With a family to consider and retirement not too far down the road, Greg would like to better position himself for the future. With two dependents (his son and wife), Greg's taxes are a bit more complicated; there is the home and his son's college loan to consider. Despite their different financial goals, Money 2005 can help Trisha and Greg get a handle on their investments, long-term planning and taxes.

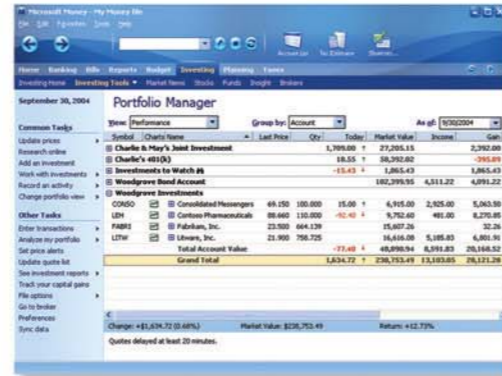


Staying Current With Investments

M Enhanced Investing Home.

Money's redesigned Investing Home provides the basic tools for learning about the market or tracking personal investments, including an enhanced Portfolio Manager and an Advisor FYI® module that features the most recent investing-related alerts. It also features easy access to a Q&A outlining answers to the most frequently asked investing questions, and links to commentary from MSN Money investing experts such as Jim Jubak to help consumers get a handle on the market and optimize their holdings.

- Enhanced Portfolio Manager.** Money 2005 and MSN Money now share the same powerful, award-winning Portfolio Manager; however, Money users can directly download account information from brokerages nationwide. As a beginning investor, Trisha can set up a Watch Account through the Account Wizard so she can quickly see the latest prices for investments she is interested in but doesn't own. With little knowledge of how his 401(k) has been performing, Greg can consult the Portfolio Manager to get a quick snapshot of his investments, as well as take a closer look at details such as total return, total annualized return and 60 other performance factors—across several companies. While traveling or at the office, he also can synchronize the feature with his MSN Money portfolio for anytime access.



- New Pop-up alerts.** To give Greg an upfront snapshot of what's happening with his stocks, convenient alerts notify him of significant stock news while he's accessing the Portfolio Manager.
- New Stock split entries.** Now the Portfolio Manager tracks stock splits in the transaction list, as well as the portfolio and transaction report.
- Portfolio Review.** This feature provides an overall analysis of investments—such as asset allocation and the best- and worst-performing stocks—to give Greg a clearer understanding of an investment portfolio.
- New Investing Decision Centers.** Seven investing-specific Decision Centers bring together relevant MSN Money tools, calculators and articles to help Money users make more-informed investment decisions. For example, Trisha can learn the ropes of investing by visiting the Get Started as an Investor Decision Center, which provides helpful articles, a starter portfolio and access to the nearest financial professional via the Advisor Finder.

Planning for a Sound Financial Future

- Enhanced Planning Home.** Money 2005 features a redesigned Planning Home that helps people reduce debt and plan for life events such as starting a family or paying for college. With a snapshot of debt versus expenses and easy access to recent planning-related Advisor FYI alerts, Money automatically keeps people abreast of the areas that matter most in meeting their short- and long-term goals.

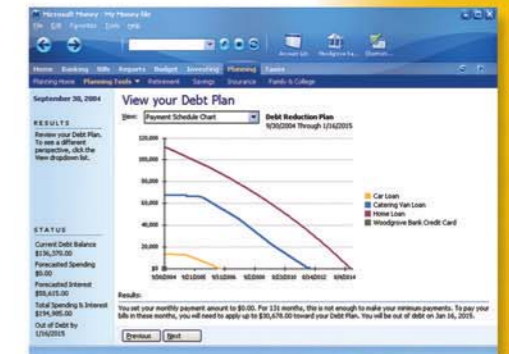
- New Planning Decision Centers.** Money's planning section features 27 Decision Centers that address everything from planning a dream retirement to getting the right insurance. By visiting the Take Control of Your Debt Decision Center, Trisha can find the steps she needs to take to free herself from debt and see a credit report — information that will put her in the know before she starts pursuing home loans.



- Tuition Savings and Second-Income Calculators.** Accessible in the Family/College Decision Centers, these useful calculators will help Greg understand alternative choices he can make to improve his financial situation.

- Debt Consolidation and Debt Evaluation Calculators.** Trisha and Greg can also access these calculators in the Savings Decision Centers to get on track in reducing their current debt from credit cards and loans.

- Debt Reduction Planner.** This tool will show Trisha a realistic plan to help reduce her debt in her goal to buy a house, help determine which credit cards to pay down first and how long it will take to pay off balances.



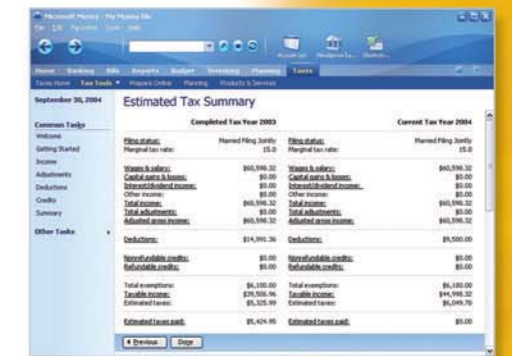
- Lifetime Planner.** This useful feature helps users plan for retirement by generating a road map to accomplish long-term financial goals. It shows how significant life events such as purchasing a home, getting married and sending children to college can affect the plan and determine how to stay on course.

Timesaving Tax Resources for Easier Preparation and Filing

- Enhanced Taxes Home.** With its redesigned Taxes Home, Money 2005 makes it easy to prepare and file taxes in one place. The Taxes Home page provides answers to the most frequently asked tax-related questions, up-to-date commentary from MSN Money tax expert Jeff Schnepfer, and tools to help Trisha file her 1040EZ form and Greg to prepare his complicated Schedule D.

- H&R Block online tax preparation services.** Through Microsoft's long-standing relationship with H&R Block, Money offers free online preparation and e-filing of federal returns.

- Tax preparation.** Before the consumer submits a return, the **Tax Estimator** provides an early read on expected refunds or payments. The **Deduction Finder** identifies ways to maximize a refund, and the **Tax Line Manager** shows tax-related income and expenses at-a-glance.



- Capital gains services.** Through Microsoft Money's alliance with GainsKeeper, Money offers access to useful tools and services to calculate capital gains and reduce tax liabilities.* Specific features include these:

- GainsAdvisor.** The insightful GainsAdvisor provides guidance on increasing a portfolio's after-tax performance and analyzing the potential tax impact of trades before they are placed with a broker.

- GainsTracker.** The powerful GainsTracker automatically adjusts cost bases and positions, including identification and calculation of wash sales and corporate action events such as stock splits and mergers.

- GainsKeeper Tax Center.** This useful, time-saving feature generates a Schedule D the user can file, eliminating the need for manual tax forms and lengthy preparation times.

* Certain offer terms and restrictions apply. See product packaging for offer details.

Staying in the Know

M Enhanced My Money home page.

This page provides Trisha with a quick overview of her specific financial situation, highlighting current bank and credit card account data, a snapshot of upcoming bills, and investment positions and allocations, in one place. For a more in-depth look, Greg can customize his page to reveal the latest stock quotes, loan rates and other financial data as well. In addition, with the popular Choose a task drop-down menu on the My Money home page, consumers can quickly execute a financial activity and customize the list of tasks such as paying a bill or viewing a budget.



- **Enhanced Anytime, anyplace access.** For convenient access to Money information when away from their computers, Greg or Trisha can log on to the MSN Money Web site with their usernames and passwords to view account balances, pay bills, see an analysis of their spending, and view investment holdings, making it easy for them to stay in the know at home, at work or anywhere in between.



- **New MSN Money News.** This useful home page offers the latest market news from the MSN Money personal finance Web site, including articles from CNBC, MSNBC, Forbes.com and Briefing.com. This area also features insight and commentary from the site's financial experts, who provide timely perspectives on relevant financial issues. For instance, Greg can read articles by investing experts such as Jim Jubak to discover which stocks would help him optimize his retirement, while Trisha can read helpful spending strategies columns from personal finance expert MP Dunleavy, who writes about the personal side of finances.

- **Enhanced MSN Money tools and information.** Money 2005 now provides convenient access to easy-to-use tools and timely information from MSN Money throughout the software. For instance, Trisha can review more than 40 MSN Money Decision Centers, areas that feature useful tools, calculators and expert commentary relevant to a specific financial task such as paying down debt or buying a home.

- **New MSN Stock List.** Microsoft Money now enables consumers to set up their investment holdings and access them via the MSN Stock List, including MSN Explorer, MSN Messenger, msn.com, My Money and the Portfolio Manager, as well as on a mobile device.

- **New Multiuser access.** Because Money 2005 enables custom settings for every user, Greg and his wife can share access to the same Microsoft Money file with their own usernames and passwords. This feature allows Greg, the primary Money user, to give up to eight people permission to access the same Money file while they maintain their own identity for enhanced security. Now Greg and his wife can view, monitor and manage their finances from different locations and without sharing their passwords.

- **Alerts Center.** Money 2005 provides personally relevant financial alerts and a view of all recent notifications, including MSN Alerts and Advisor FYI® alerts, as well as e-newsletters in one convenient location.

- **MSN Alerts.** Upon Greg's request, Money will send an MSN Alert notifying him of spending or investing targets, analyst upgrades and downgrades, or the latest news developments. He can choose to receive the alerts via e-mail, MSN Messenger or MSN Mobile.

- **Advisor FYI.** Trisha can set up Advisor FYI alerts that provide such personalized guidance as how to earn better interest on an account or how updated income tax rates may affect her financial standing.

Money 2005: Flexible, Automated, Effortless

Regardless of how people prefer to handle their finances, Money 2005 offers a solution that meets their needs, whether they prefer to stay at the overview of their finances, such as Trisha, or examine the details, such as Greg. With its Web-based roots, Money builds on the convenience and speed of online banking, delivering an effortless, timely solution that provides automatic answers to financial questions and adapts to how each consumer prefers to manage her or his personal finances today and in the future.

Product

Estimated U.S. Retail Price

Microsoft Money 2005 Standard helps consumers effortlessly see where their money is going by automatically consolidating all their transactions in one place to provide a snapshot of their spending and budget.

\$29.95 plus \$10.00 mail-in rebate¹

Microsoft Money 2005 Deluxe helps consumers improve their financial picture by automatically consolidating online bank and credit card information, and providing essential tools for improving credit and organizing taxes. Money Deluxe also features one free credit report and one year of ongoing credit monitoring from Experian.²

\$59.95 plus \$20.00 mail-in rebate¹

Microsoft Money 2005 Premium offers everything Money Deluxe offers plus insightful and effective tools to help consumers optimize investments, minimize tax implications and reach long-term goals. Money Premium's valuable collection of tools features the following free² financial services:

- Capital gains tax optimizer from GainsKeeper®
- Online tax preparation and e-filing from H&R Block
- Experian credit report and one year of credit monitoring

\$79.95 plus \$30.00 mail-in rebate¹

Money Premium also includes a one-year subscription to Money magazine.²

Microsoft Money 2005 Small Business manages personal and small-business financial matters. Consumers can automatically connect to their online small-business bank accounts, track inventory, manage payroll, monitor business cash flow, and categorize income and expenses. This version offers these free² services:

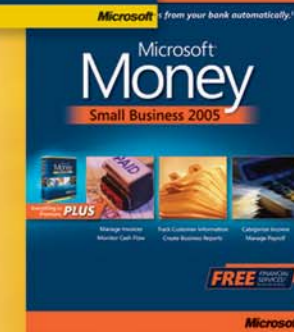
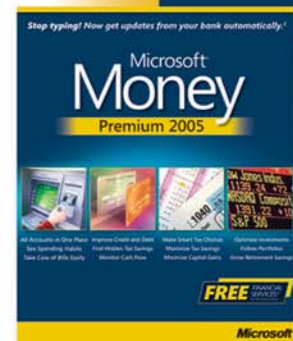
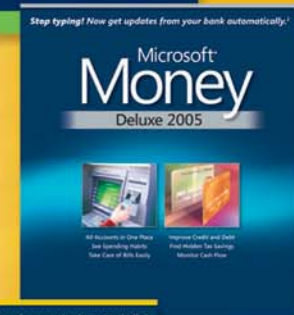
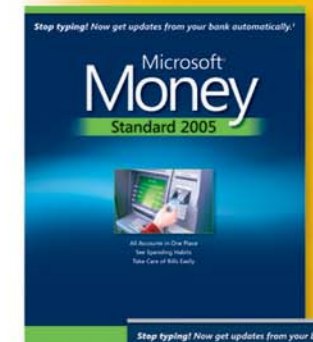
- One year of online payroll service from PayCycle®
- Capital gains tax optimizer from GainsKeeper®
- Online tax preparation and e-filing from H&R Block
- Experian credit report and one year of credit monitoring

\$89.85 plus \$30.00 mail-in rebate¹

Money Small Business also includes a one-year subscription to Money magazine.²

¹ Certain rebate offer restrictions apply. See product packaging for offer details.

² Certain offer restrictions apply. See product packaging for offer details.



Microsoft® Money

Premium 2005

Microsoft®

This is a preliminary document and may be changed substantially before final commercial release of the software described herein.

See <http://www.microsoft.com/money/onlinebanks> for a list of financial institutions that provide connectivity to enable download of statements into Microsoft Money 2005. Internet-based banking and brokerage options may vary by financial institution, so contact your financial institution for details.

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