Empowering people who serve the public®

Tyler Technologies Agrees to Purchase Assets From CPS Systems, Inc.

DALLAS, Jan. 20 /PRNewswire/ -- Dallas-based Tyler Technologies, Inc. (NYSE: TYL) announced today that it has entered into an agreement to purchase assets from CPS Systems, Inc. (CPS). CPS is operating under Chapter 11 bankruptcy protection and the transaction is subject to bankruptcy court approval.

CPS, which is also based in Dallas, develops, markets, implements and supports software applications designed specifically for public sector organizations, including city and county governments and other agencies. CPS offers products for property tax appraisal and assessment, property tax billing and collection, and city and municipal systems.

``The purchase of CPS' assets, including their current products and those under development, represents a strategic addition to Tyler Technologies' existing businesses," commented John M. Yeaman, president and chief executive officer of Tyler. ``We look forward to establishing relationships with CPS' customers and to offering them quality support services for existing products, as well as innovative solutions for their current and future information technology needs." Under the terms of the purchase agreement, Tyler would provide interim debtor-in-possession financing to CPS pending completion of the purchase and would pay CPS' unsecured creditors in cash the difference between $2.8 million and the interim debtor-in-possession financing used by CPS during the bankruptcy process. In addition, as part of the purchase Tyler would contribute to CPS' capital the $1.6 million in loans it has previously made to CPS. Lastly, Tyler would satisfy CPS' debt to another secured lender with approximately $2.3 million in Tyler common stock or cash, at Tyler's option. The transaction is expected to be completed within approximately 60 days, although no timetable has yet been established by the Bankruptcy Court.

Tyler Technologies is a major provider of technology, software, data products, and electronic document management systems and services for local governments and other enterprises. Tyler was founded in 1966 and has its corporate headquarters in Dallas, Texas. Tyler has annualized revenues of more than $140 million and employs approximately 1,400 people. Additional information on Tyler Technologies can be found on the World Wide Web at www.tylertechnologies.com.

Tyler Technologies, Inc. has included forward-looking statements concerning its business and operations in this press release. Although Tyler Technologies believes that the expectations reflected in these forward-looking statements are reasonable, these expectations and the related statements are subject to risks and uncertainties that could cause actual results to differ materially from those projected. Tyler Technologies expressly disclaims any obligation to release publicly any updates or revisions to these forward- looking statements to reflect any change in its expectations.

1/20/2000