TYLER TECHNOLOGIES REPORTS THIRD QUARTER 2001 PROFIT Results Reflect 20% Revenue Growth and Increased EBITDA

Dallas, Texas, November 8, 2001 -- Dallas-based Tyler Technologies, Inc. (NYSE: TYL) today reported a net profit for the three and nine-month periods ended September 30, 2001. Tyler provides a broad array of software products and related professional services to meet the information management needs of counties, cities, schools and other local government offices nationwide.

EBITDA, or earnings from continuing operations before interest, income taxes, depreciation, amortization and recovery of acquisition costs previously expensed, was $3.5 million, or $0.07 per diluted share, in the third quarter of 2001, compared to EBITDA of $3.3 million, or $0.07 per diluted share, in the second quarter of 2001 and EBITDA of $2.2 million, or $0.05 per diluted share, in the third quarter of 2000.

Revenues from continuing operations in the third quarter of 2001 grew 20% to $28.4 million from $23.7 million in the third quarter of 2000. Pretax income from continuing operations was $614,000 for the three months ended September 30, 2001, compared with a pretax loss of $1.5 million in the prior year. Income from continuing operations for the quarter ended September 30, 2001 was $251,000, or $0.01 per diluted share, compared to a loss from continuing operations of $1.2 million, or $0.02 per share, for the quarter ended September 30, 2000.

"We are pleased to report that third quarter results continued to show improvement and profitability," said John M. Yeaman, Tyler's President. "Both our year-over-year revenue growth of 20% and our EBITDA of $3.5 million were in line with expectations. Our maintenance revenues were 23% higher than the same quarter last year as we continue to grow our base of recurring revenues. In addition, software license revenues grew sequentially over the first and second quarters of this year. Reductions in selling, general and administrative expenses and interest expense were also key factors in the significant profit improvement over last year," added Mr. Yeaman.

EBITDA for the nine months ended September 30, 2001 was $8.6 million, or $0.18 per diluted share, compared to EBITDA of $2.1 million, or $0.05 per diluted share, for the same period of 2000.

For the nine months ended September 30, 2001, revenues from continuing operations increased 29% to $86.7 million from $67.2 million in 2000. Income from continuing operations before income taxes for the first nine months of 2001 was $502,000, compared with a pretax loss of $8.6 million in the first nine months of 2000. Income from continuing operations for the nine months ended September 30, 2001 was $109,000, or $0.00 per share, compared to a loss from continuing operations of $6.2 million, or $0.14 per share, for the nine months ended September 30, 2000.

Mr. Yeaman continued, "We generated healthy cash flow from operations during the third quarter and eliminated all of our remaining bank debt. Our balance sheet is very strong, and we believe we are well-positioned to build on our leadership position in the local government IT market.

"The government information technology sector is very active, and we are seeing a high level of requests for proposals for our products and services," noted Mr. Yeaman. "We are also signing new business at a good pace, and our backlog of signed contracts at September 30, 2001, was $86.7 million, up slightly from the level at the end of the second quarter of this year.

"During the quarter we unveiled Odyssey, Tyler's new court case management system," added Mr. Yeaman. "Odyssey represents the first of a new generation of national Tyler-branded products built on a core framework of browser-based, n-tier technologies. Initial reaction to Odyssey from our target market has been extremely positive and our marketing efforts are at a high level. We look forward to announcing the availability of other new-generation Tyler products in coming months."

Tyler Technologies has scheduled a conference call for today at 10:30 a.m. Central Time, to discuss the Company's third quarter earnings. The conference call can be accessed by visiting the Company's homepage at http://www.tylertechnologies.com or at http://www.streetevents.com. A replay will be available on each of those Web sites following the conference call.

Based in Dallas, Tyler Technologies is a leading provider of end-to-end information management solutions and services to local governments. Tyler partners with clients to make local government more accessible to the public, more responsive to needs of citizens, and more efficient. Tyler's client base includes nearly 6,000 local government offices in 49 states, Canada and Puerto Rico. More information about Tyler Technologies can be found on the World Wide Web at www.tylertechnologies.com.

Tyler Technologies, Inc. has included in this press release "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 concerning its business and operations. 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. These expectations and the related statements are inherently subject to risks and uncertainties that could cause actual results to differ materially from those set forth in, contemplated by, or underlying the forward-looking statements. The risks and uncertainties which forward-looking statements are subject to include, but are not limited to, changes in competition, changes in general economic conditions, changes in the budgets and regulatory environments of the Company's customers, risks associated with the development of new products and the enhancement of existing products, the ability to attract and retain qualified personnel, and other risks detailed from time to time in the Company's filings with the Securities and Exchange Commission.

11/8/2001