tylerworks.

Contact: Brian K. Miller
Vice President - Finance
Tyler Technologies, Inc.
(972) 713-3720
bmiller@tylerworks.com

CITY OF PENSACOLA TO REPLACE FINANCIAL SOFTWARE WITH INTEGRATED SYSTEM FROM TYLER TECHNOLOGIES

Contract for New Financial Software Valued at $1.6 Million

Dallas, January 26, 2004 -- Tyler Technologies, Inc. (NYSE: TYL) announced today the city of Pensacola, Florida has signed a contract to purchase new integrated application software to support the city's business processes. The total estimated value of the contract, which includes software, services and support, is approximately $1.6 million.

Tyler will implement InForum Gold software from its Eden Systems division for financial, payroll and human resource, and citizen services applications at the city of Pensacola. In addition, the city will add Tyler's Internet applications to enhance business relationships with the public.

The new software from Tyler will replace the city's 13-year old system. In addition to improving internal processes, the city believes that the transition from their existing character-based system to InForum Gold's modern graphical user interface system will enhance its business relationships with the public. The public will benefit because the city will be able to take information and services to the Web in an easily accessible format.

Pensacola is located in the Florida panhandle on the Gulf of Mexico. The city has a population of approximately 56,000 and a total annual budget in excess of $191 million.

"We're very excited about adding the city of Pensacola to our growing number of InForum Gold clients," said Gene Jackson, President of Tyler's Eden Systems division. "Our strong references and long-standing commitment to the local government market were key factors in Pensacola's decision."

Mr. Jackson continued, "Eden's recent acquisition by Tyler Technologies increases the resources available to us and will enable us to do even more than in the past. As a part of Tyler, we expect to continue to expand our geographic reach and to pursue larger opportunities. This new relationship with Pensacola illustrates the kind of growth opportunities available to us."

Based in Dallas, Tyler Technologies is a leading provider of end-to-end information management solutions and services for 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 more than 6,000 local government offices throughout all 50 states, Canada, Puerto Rico and the United Kingdom. More information about Tyler Technologies can be found at www.tylerworks.com.

-more-

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, the ability of the Company to successfully integrate acquisitions, 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.

####

03-04