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TYLER TECHNOLOGIES COMPLETES ACQUISITION OF ADVANCED DATA SYSTEMS

Dallas, February 26, 2007 -- Tyler Technologies, Inc. (NYSE: TYL) today announced that it has acquired all of the common stock of Advanced Data Systems, Inc. (ADS), of Bangor, Maine. ADS develops and sells fund accounting solutions, primarily in New England. The total purchase price for ADS, along with an office building used in its business, was approximately $4.2 million in cash.

ADS was founded in 1980 to serve the needs of clients in the state of Maine and has since grown to serve clients throughout New England. ADS currently has approximately 200 installations, with a particularly strong presence serving school districts. ADS had revenues of approximately $3 million in 2006.

Tyler has a strong presence in the K-12 school market with Tyler's Education Management and MUNIS Financial Management solutions. While MUNIS Financial Management serves the complex needs of mid-size to large schools and districts, ADS provides small to mid-size schools and districts with financial applications suitable for their particular needs. Together with Tyler's Education Management Solution, MUNIS and now ADS give Tyler a complete school management solution for any size school or district.

With the national sales channel provided by Tyler, ADS' accounting solutions will be positioned to gain market share outside of their traditional New England market.

"The acquisition of Advanced Data Systems complements our existing strength in New England with our MUNIS product and our growing presence in the K-12 schools market. With this transaction, Tyler adds a solid regional customer base in the schools market that we expect to build upon," commented John S. Marr, Jr., Tyler's President and Chief Executive Officer. "ADS has a quality product, excellent customer relationships and knowledgeable employees, and we welcome them to the Tyler family."

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. Forbes Magazine named Tyler one of the "200 Best Small Companies" in America in 2004. More information about Tyler Technologies can be found at www.tylertech.com.

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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.

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