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TYLER TECHNOLOGIES TO BE ADDED TO S&P SMALLCAP 600 INDEX

Dallas, August 16, 2007 -- Tyler Technologies, Inc. (NYSE: TYL) announced today that the Company will be added to the Standard & Poor's (S&P) SmallCap 600 Index, effective at the close of trading on Friday, August 17, 2007. According to a list of changes issued by Standard & Poor's, Tyler Technologies will be classified under the Global Industry Classification Standard (GICS) Application Software sub-industry index.

"Inclusion in the S&P SmallCap 600 Index is a significant milestone for Tyler Technologies," said Tyler's President and Chief Executive Officer, John S. Marr, Jr. "Membership in this prestigious index is an acknowledgement of Tyler's sustained growth strategy and a testament to the execution of our business model."

The S&P SmallCap 600 Index is a core component of the S&P U.S. index series and covers approximately three percent of the U.S. equities market. The Index is designed to be an efficient portfolio of companies that meet specific inclusion criteria to ensure that they are financially viable. Criteria for the S&P SmallCap 600 includes U.S. company status, market capitalization in the range of \$300 million to \$1 billion, financial viability, adequate liquidity and reasonable price, public float of at least 50 percent, sector representation and an operating company status. Complete details on the guidelines for maintaining the index are available at www.standardandpoors.com.

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. In April 2007, Tyler was named one of "America's 100 Most Trustworthy Companies" by Audit Integrity, an independent research firm. More information about Tyler Technologies can be found at www.tylertech.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.

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