

Reynolds to Pull Back Current Offshore and Outsourced Projects

Company to Escalate Recruitment for Programmers in U.S.

DAYTON, OHIO – April 17, 2007 – Reynolds and Reynolds announced today that it has closed an offshore development facility in China and moved software and product development work back to the U.S. The company also indicated it is ending a number of outsourcing projects previously handled in India. As a result, Reynolds has escalated its recruiting for software programmers to work at its headquarters location in Dayton.

“Software development is the heart and soul of what we do as a company and the true value we add for our dealership customers,” said Rob Nalley, president of Reynolds and Reynolds. “We want that work within our four walls, with our associates creating the value based on what we know from first-hand knowledge in working with dealerships and OEMs. While this is opposite of the approach many companies are taking, the unique demands of our customers make it imperative to see their business through their eyes and to ‘walk their showrooms.’ It’s not only what we know about their business, but how we apply what we know when we develop new software solutions.”

Reynolds and Reynolds merged with Universal Computer Systems (UCS) in October 2006, creating an automotive dealer services provider meeting the needs of more than 18,000 customers – from dealership management system software to documents. Previously, Reynolds had pursued outsourcing and offshore product development largely to reduce costs and supplement its programming and product development efforts.

“One strength we gained when we merged our companies,” Nalley said, “is that we immediately enlarged the critical mass of knowledgeable associates who understand automobile retailing inside and out and how to deliver products to meet the needs of those customers.”

Nalley also indicated one of the key strengths that UCS brought to the merger is a well-defined and practiced discipline of product development and programming. “That is something we are instilling throughout the larger organization,” Nalley said, “and a tangible benefit that customers will see in the products we deliver. We expect to make Reynolds a great software company to complement the other dimensions of our brand reputation. This decision to bring development work back inside is one more step in that direction.”

One result of bringing outsourced development work back inside the company is more aggressive recruiting to add software programmers at the company’s headquarters location. The company has expanded its recruiting department overall and expects to fill several hundred new positions this year, the majority of which likely will be at headquarters.

“As we said when we brought our companies together,” Nalley concluded, “we will capitalize on the best from both in order to create a new standard in what dealerships can expect from their dealer services provider. World-class customer service and support, paired now with world-class software development, is exactly what we are poised to deliver.”

About Reynolds

Reynolds and Reynolds is the automotive industry's largest and most trusted provider of automobile dealership software, services, and forms to help dealerships maximize sales and profits and improve business results. The company is headquartered in Dayton, Ohio, with major operations in Houston and College Station, Texas, and Celina, Ohio. (www.reyrey.com)

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