

Introducing three-year terms for Microsoft 365 E3, E5, and Teams Enterprise

Unlock new revenue opportunities



At [Microsoft Ignite 2024](#), we highlighted the \$661 billion total addressable market opportunity for small and medium enterprise customer segments in the 2025 fiscal year and beyond.*

As a **Cloud Solution Provider (CSP) partner**, you play a key role in capturing this opportunity, offering the value-added services and trusted guidance that accelerate AI transformation for customers.

To that end, we're **introducing three-year terms for Microsoft 365 E3, E5, and Teams Enterprise** to expand deal-making capabilities and offer a more consistent experience across purchasing channels—including those transitioning from expiring Enterprise Agreements (EAs).

*Microsoft estimates based on IDC data, October 2024.
Throughout this document, \$ refers to US dollar (USD).

Build stronger customer relationships with price predictability

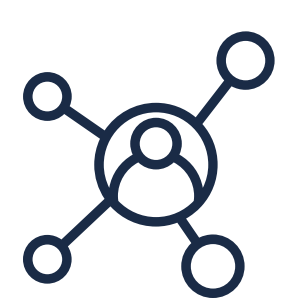
We're launching three-year subscription terms for Microsoft 365 E3 and E5, **with or without Teams**, as well as Teams Enterprise licenses in CSP on **June 1, 2025**. They will only be available for purchase with three-year upfront or triennial/annual billing options.

- **May 1:** These SKUs will appear on the CSP price list preview in the Partner Center [pricing workspace](#).
- **June 1:** The new three-year SKUs for E3 and E5 without Teams and Teams, as well as Enterprise standalone SKUs will be generally available on the CSP price list.
- **June 1:** The new three-year SKUs for E3 and E5 with Teams will only be available on the end of sale (EOS) price list in Partner Center.
 - There is no price list preview for the EOS price list.
 - You can learn more about these new three-year SKUs in the [pricing and offers article on Microsoft Learn](#).

In addition, effective **July 1, 2025**, a three-year subscription for Microsoft 365 E5 Security and E5 Compliance mini suites will be available. At either midterm or renewal, you'll be able to change E3 and E5 subscription terms for customers who have EOS SKUs of Microsoft 365 and Office 365 Enterprise suites with Teams to these new three-year EOS terms. [Review the manage term duration and billing frequency](#) Microsoft Learn article for more details.

Delivering transformational impact

Three-year terms make it easier for you to transition EA customers to CSP, meet their evolving needs, and go beyond transactions to build customer loyalty and retention.



Strengthen relationships to support long-term growth

Build longer-term relationships to retain customers transitioning from on-premises, hybrid, or Office 365 and unlock upsell opportunities.



Increase revenue opportunity

Seed and convert upsell, cross-sell, seat growth, and services (project, advisory, and managed) opportunities.



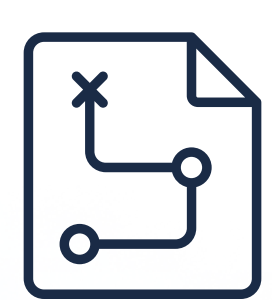
Enhance deal-making capabilities

Offer deal structures that best fit your customers' business needs.



Improve ROI

Offset acquisition, adoption, and administration costs of managing larger, complex customers.



Win in the market

Create compelling offers of pricing and terms to switch customers from competing cloud providers.

Promotion details

To help you transition customers from on-premises solutions or upgrade from Office 365, we are launching new **10% discount promotions** for new-to-E3 or E5 customers on the new CSP three-year subscription terms:

- **June 9:** The E3 and E5 promotion will be available.
- **July 1:** The E5 Security and E5 Compliance mini suite promotion will be available.

Plus, we're extending the **15% discount** promotion for Microsoft 365 Copilot in CSP through **June 30, 2025**. Full details for both promotions will be available in the [Global Promo Readiness Guide](#) on June 2, 2025.

GA Microsoft 365 three-year SKUs on June 2025 price list as "3 Year SMC SKU":

- Microsoft 365 E3 without Teams
- Microsoft 365 E5 without Teams
- Microsoft Teams Enterprise standalone
- Publishing on May 1, 2025: price list preview
- Options for triennial terms paid upfront or annually only; minimum purchase requirement of 100 seats (enforced at the SKU level)

EOS Microsoft 365 three-year SKUs on June 2025 EOS price list:

- Microsoft 365 E3 with Teams
- Microsoft 365 E5 with Teams
- There is no EOS price list preview
- Three-year upfront and annual billing options only; minimum purchase requirement of 100 seats (enforced at the SKU level)

June 9: E3 and E5 promotions

- Offers: E3 and E5 with and without Teams
- Three-year term
- Upfront and annual billing options
- For new-to-offer customers only
- Minimum 100 seats, maximum 2,400 seats
- Available to all markets
- June 9, 2025–December 31, 2025

July 1: E5 Security and E5 Compliance mini suite promotion

- Offers: E5 Security and E5 Compliance
- Three-year term
- Upfront and annual billing options
- For new-to-offer customers only
- Minimum 100 seats, maximum 1 million seats
- Available to all markets
- July 1, 2025–December 31, 2025

Accelerate growth with your customers

With three-year terms, you can unlock new revenue opportunities with customers by helping them make the most of their subscriptions:

Customers renewing from EA to CSP

Three-year SKUs provide a consistent experience across purchasing channels

Customers you're upselling to E3 and E5

Three-year SKUs offer more options to meet their evolving needs

Whitespace customers (on-prem, compete)

Three-year SKUs give them the stability that comes with multi-year term agreement

Your customers not only get the price predictability, cost management, and better time-to-value they're searching for—they also get your expertise and ongoing support as a trusted advisor.