

PRESS RELEASE

Truffle 100: Software AG is now Europe's 5th Largest Software Company

- The “Truffle 100 Europe” ranks the region’s top technology companies in terms of software revenue
- The 2007 “Truffle 100 Europe” reveals the growing role of Europe’s top software vendors in a “reverse brain drain”
- Software AG is in the top 5 in Europe and with revenue expected to exceed \$1 billion in 2008
- Software AG’s acquisition of webMethods recognized by *ACQ Finance Magazine* as its “Cross-Border Deal of the Year”

Darmstadt, Germany and Brussels- 07.12.2007 - Truffle Capital and Software AG, have announced that Software AG is now one of Europe five largest software companies. The 2007 “*Truffle 100 Europe*” was released at a recent presentation in Brussels chaired by Viviane Reding, European Commissioner for Information Society and Media. The “*Truffle 100 Europe*” is the leading ranking of the top 100 European software companies and the 2007 issue shows that through constant innovation and heavy investment in R&D, European companies are successfully facing global competition. Software AG climbed one spot in this year’s rankings, trailing just SAP, SAGE, Dassault Systems and Business Objects in terms of total software revenue worldwide. Based on current exchange rates, Software AG’s most recent guidance calls for the company to surpass \$1 Billion in annual revenue in 2008, making the company one of the twenty-five largest software companies in the world.

“Our data clearly shows that the European software industry is succeeding in reversing the brain drain of the 1990s, when many qualified IT employees sought jobs outside Europe. Last year the Truffle 100 invested €3.3bn in R&D and employed 175 000 people,” commented Bernard-Louis Roques, General Partner IT at Truffle Capital “This is excellent news for European economies, which will profit greatly by increased employment throughout the software industry.”

Software AG acquired the US company webMethods Inc. for US 546 million in June, 2007 in one of the largest pure software deals in the history of the European IT industry. The acquisition has established Software AG as a global leader in business infrastructure software. The company is now one of the largest independent vendors in the rapidly growing Business Process Management (BPM) and Service-Oriented Architecture (SOA) markets in both the US and Europe.

“With operations in over seventy countries, Software AG is one of the industry’s most globally-focused software companies. Over 85% of our revenue is outside Germany with the USA our largest market. Building on this foundation, we’re committed to being the global leader in business infrastructure software.” said Karl-Heinz Streibich, Chief Executive Officer, Software

AG. “We believe that the industry needs large, independent vendors to drive innovation and provide customer choice. As evident by the industry recognition that we’ve garnered for our technology and our target of doubling revenue to €1 billion by 2011, we’ve made significant strides towards achieving this objective.”

For the second year in a row, the Truffle 100 Europe, established with the support of CXP, a market research organization focused on software, and IDC, a leading global market intelligence firm, sheds light on the leaders of the software industry, reveals new trends and demonstrates the vitality of the industry and its contribution to the Lisbon agenda. The Truffle 100 Europe was initiated by Truffle Capital, a leading European private equity firm, and Syntec informatique, and is published in conjunction with the other main national IT trade associations in Europe: Agoria (Belgium), Aitech-Assinform (Italy), BITKOM (Germany), and Intellect (UK). The Truffle 100 is comprised of companies with both headquarters and research & development based in Europe, which includes the twenty-five member nations of the European Union as well as Switzerland and Norway.

The Truffle 100 Europe companies last year collectively invested €3.3 billion in R&D, or 15% of total revenues, and 63% of them expect to increase their investments this year. With a headcount of 175,000, Europe’s software vendors have become a key force in creating new added-value jobs for engineers, computer programmers, and other highly qualified employees. This has resulted in revenue growth in 2006 of 6.6% across the industry.

Separately, Software AG was honored by *ACQ Finance Magazine*, a leading acquisition finance magazine in Europe, as the publication’s “Cross Border Deal of the Year” for 2007. This was in recognition of the company’s successful acquisition of US-based webMethods, Inc., and was based on the publication’s exclusive survey of financiers and investors.

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Software AG’s 4,000 global customers achieve measurable business results by modernizing and automating their IT systems and rapidly building new systems to meet growing business demands. The company’s industry-leading product portfolio includes best-in-class solutions for managing data, enabling service oriented architecture, and improving business processes. By combining proven technology with industry expertise and best practices, our customers improve and differentiate their businesses - faster. Software AG has more than 37 years of global IT experience and approx. 3,800 employees serving customers in 70 countries. The company is headquartered in Germany and listed on the Frankfurt Stock Exchange (TecDAX, ISIN DE 0003304002 / SOW). Software AG posted total revenues of €483 million in 2006.

About Truffle Capital

Founded in 2002 in Paris, Truffle Capital is a leading independent European private equity firm dedicated to investing in and building technology leaders in the IT, life sciences and energy sectors. With €250 million under management, Truffle Capital is led by a team of four partners with decades of successful investment and entrepreneurial experience in both Europe and Silicon Valley. Truffle Capital’s investment team is composed of experienced and international experts. Truffle Capital aims to achieve superior financial returns by leveraging its industry knowledge, extensive network and unique focus on spin-offs to identify business ventures that match latent market needs. For further information, please visit www.truffle.com

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