

## PRESS RELEASE

**Software AG announces the biggest deal in the company's history**

- A four and a half year license and maintenance contract signed with Banco do Brasil
- Revenue and earnings forecast for 2008 confirmed

Darmstadt, Germany, 2-9-2008, the Brazilian subsidiary of Software AG has signed the largest deal in the Group's history with the largest bank in Brazil, Banco do Brasil. The contract is subject to the conditions applied to all government contracts in Brazil, namely that no third party objections are registered within a defined period.

The contract is for a four and a half year period and has a total net worth (without sales tax) of 151.6 million Real (ca. €63.7 million at today's currency conversion rate). Nearly three quarters of the total is license revenue, to be booked over the 4.5 contract period, with the rest for maintenance and services. For the current fiscal year this means total revenue of €13.9 million of which €10.3 million will be booked in the third quarter.

Software AG established a direct business relationship with Banco do Brasil in 2008, after ending the exclusive distribution contract between Software AG and its former local partner in Brazil in 2007. With the successful closing of this and other contracts in Brazil, Software AG is confident of reaching its full year forecast in the country of ca. €30 million. This re-confirms the guidance for the full year 2008 of revenue growth (net of currency effects) of ca. 12% to 14% in the ETS business division and ca. 40% to 45% in the webMethods business division. The Banco do Brasil contract strengthens the 2008 license revenue growth of the Software AG Group, forecast at 24% to 28%, at constant currency rates, and the groups EBIT margin forecast of 24%.

In light of the positive business development in Brazil, the Executive Board expects 2008 global revenue growth, at constant currency rates, of 24% to 27%, despite the weakening economic situation in the major industrialized countries.

Software AG's third quarter financial results will be published on October 24<sup>th</sup>, 2008.

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Software AG is the world's largest independent provider of Business Infrastructure Software. Our 4,000 global enterprise customers achieve business results faster by modernizing, integrating and automating their IT systems and processes. As a result, they rapidly build measurable business value and meet changing business demands. Based on our solutions, organizations are able to liberate and govern their data, systems, applications, processes and services - achieving new levels of business flexibility.

Our leading product portfolio includes solutions for high performance data management, developing and modernizing applications, enabling service-oriented architecture, and improving business processes. By combining our technology with industry expertise and best practices experience, our customers improve and differentiate their businesses - faster.

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Software AG has almost 40 years of global IT experience and over 3,600 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 €621 million in 2007.

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