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**ILOG EXPANDS SOFTWARE AG PARTNERSHIP WITH ADDITIONAL SUPPORT
FOR WEBMETHODS PRODUCTS**

INTEGRATION WORLD 2007, ORLANDO, Fla. – Nov. 7, 2007 – ILOG® (NASDAQ: ILOG; Euronext: ILO, ISIN: FR0004042364) today announced the expansion of its ongoing strategic partnership with Software AG to Software AG's webMethods product suite. Building upon the standards-based interoperability that already exists between Software AG's webMethods product line and ILOG JRules®, full integration of the products is expected in 2008.

Software AG's webMethods' customers can apply ILOG JRules to:

- Externalize business rules from applications and empower business teams to manage the rules that automate decisions and policies
- Achieve a more flexible and cost-effective SOA deployment strategy by allowing business rules and decision services to be shared as independent, reusable business services
- Manage multifaceted business policies with complex rule sets across multiple business processes

Using ILOG JRules, companies can manage business policies independently of applications and processes, giving them greater control over business processes and providing the agility needed to succeed in increasingly competitive and complex business environments. The resulting solutions provide for the continuous adjustment of processes in response to changing business conditions.

The relationship between ILOG and Software AG started in January 2006 when Software AG began globally reselling ILOG's JRules as part of its service-oriented architecture (SOA) product suite, including CentraSite. Jointly developed by Software AG and Fujitsu, CentraSite is an industry-leading solution for SOA governance used by

Global 2000 enterprises worldwide. ILOG is also a member of the CentraSite community, committed to delivering standards-based, interoperable SOA solutions.

ILOG's BRMS products enable businesses to create "Transparent Decision Services," decision services that are truly reusable, owned by business users, easy to adapt and that contribute to an enterprise compliance strategy. The services are transparent because ILOG JRules provides easy access to the rules in the decision service to all the participants of its lifecycle: developers, integration developers, service owners and policy managers - eliminating the "black box" created using a standard software coding practices, such as Java.

The combination of ILOG JRules and CentraSite enables customers to:

- Share decision services across the enterprise
- Facilitate the reuse of the decision services
- Accelerate the time to value by leveraging flexible decision services
- Improve SOA governance by empowering business teams
- Improve compliance management by making the decision logic transparent

"ILOG is a global BRMS leader. Its solutions complement our existing product portfolio and provide great benefits to our customers by enabling them to modernize and automate their IT systems", said Patti Jefferies, Director of BPM Product Marketing for Software AG's webMethods business division. "This partnership enables our customers to write, manage and modify rules to better match changing business and competitive dynamics without IT assistance."

"Our continued relationship with Software AG enables us to strengthen both businesses to be more agile and to deliver cost-effective business applications", said Desmond Delandro, vice president of ILOG's Strategic Alliances. "We will continue to leverage Software AG expertise in legacy modernization, SOA and BPM. In addition, customers will benefit immediately from an expanded product portfolio for managing data, enabling service-oriented architecture and improving business processes."

Software AG, a global leader in business infrastructure software, provides best-in-class solutions for managing data, enabling SOA and improving business processes. By

combining proven technology with industry expertise and best practices, Software AG's 4,000 global customers achieve measurable business results to improve and differentiate their businesses – faster.

About ILOG

ILOG delivers software and services that empower customers to make better decisions faster and manage change and complexity. Over 3,000 corporations and more than 465 leading software vendors rely on ILOG's market-leading business rule management system (BRMS), supply chain planning and scheduling applications, and optimization and visualization software components, to achieve dramatic returns on investment, create market-defining products and services, and sharpen their competitive edge. ILOG was founded in 1987 and employs more than 850 people worldwide. For more information, please visit www.ilog.com.

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