



Press Information

For immediate release

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Telelogic acquires the COOL:Jex business from Sterling Software

Telelogic becomes the world's second largest UML vendor*

MALMÖ, March 9th, 2000 – Telelogic announced today the signing of a definitive agreement under which Telelogic AB will acquire the COOL:Jex™ business from Sterling Software. COOL:Jex is the leading, enterprise-scale UML modeling solution for the real-time and embedded software markets. Telelogic is the market leader in development tools for the telecommunications and real-time development markets. Under the agreement Telelogic will acquire all of the assets and employees associated with the COOL:Jex business including a customer base of 5 200 licenses, maintenance agreements, source code, development lab and personnel resources. 32 distributors will continue to sell COOL:Jex on behalf of Telelogic.

“Telelogic is now the second UML vendor in the world”, says Anders Lidbeck, CEO and President at Telelogic. “This is not only a huge UML technology venture, but also a great enforcement of our sales capacity in the US. We are increasing the number of sales people and product developers, while at the same time we get full control of the best UML tool on the market. COOL:Jex, soon to be renamed the Telelogic Tau UML Suite, will play a central role in Telelogic’s business going forward. COOL:Jex customers will also be able to enjoy the benefits of the integrated testing and SDL-based code generation solutions that are part of the Telelogic Tau family of products. This translates into better opportunities for the COOL:Jex technology, employees, customers, and partners.”

The acquired turnover for year 2000 is forecasted to USD 8 million with a positive result. The purchase is a cash transaction. Other financial terms were not disclosed.

COOL:Jex is used by more than 300 companies with about 5200 active licenses. The COOL:Jex business has 21 employees, of which 18 are based in North America. The



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business will be integrated in Telelogic's current operations in North America, UK and Germany. With the acquisition, the market for development tools, based on SDL and UML, is consolidated.

"Right now the dominating languages for real-time development and administrative systems, SDL and UML respectively, are merging." Lidbeck continues. "With the acquisition, time-to-market of our next generation of development tools will be shortened. We will take a leading position that will result in Telelogic becoming the first supplier to present a product based on this new world standard based on the combination of UML and SDL."

About Telelogic AB (Stockholm Stock Exchange:TLOG)

Telelogic, which today has subsidiaries in ten countries, and is represented by distributors in 20 additional countries, is the market leader in development tools for real-time applications. The Company's products have been used for several years in a demanding industrial setting, where customer use is well documented. Offering high quality graphical development tools and related services makes software development faster and more reliable.

The Company has a global customer base which includes the leading suppliers, such as Alcatel, Cisco, Ericsson, Fujitsu, Hewlett-Packard, Lucent, Motorola, NEC, Nokia, Nortel Networks and Siemens, as well as a number of universities and institutions all over the world.

Software market trends point toward visual program methods, a field where Telelogic leads in the production of the next generation of development tools. After the recently implemented stock issue, the Company is well equipped to quickly deliver comprehensive solutions to the complex challenges facing the communications industry.

For more information about Telelogic, please visit www.telelogic.com.

* Source: The Ovum report: Case Products, 1999

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