



This Offer is not being made nor will any tender of shares be accepted from or on behalf of holders in any jurisdiction in which the making of the Offer or the acceptance of any tender of shares therein would not be made in compliance with laws of such jurisdiction. The Offer is not being made, directly or indirectly, in or into Australia, Canada, Japan or South Africa. The Offer is being treated in the United States as one to which the "Tier II" exemption mentioned in Rule 14d-1(d) under the U.S. Securities Exchange Act of 1934 is applicable. The press release has been published in Swedish and English. In the event that there are any differences between the language versions, the Swedish version shall prevail.

Press release
October 3, 2007

Watchtower extends the acceptance period in relation to the recommended cash offer to the shareholders in Telelogic

International Business Machines Corporation ("IBM"), through its indirect wholly-owned subsidiary Watchtower AB ("Watchtower") (previously Goldcup D 2933 AB), a Swedish private limited liability company, announced on June 11, 2007 a recommended public cash offer to the holders of all issued and outstanding shares in Telelogic AB (publ) ("Telelogic"), to tender all Telelogic shares to Watchtower (the "Offer"). The Offer has been unanimously recommended by the Board of Directors of Telelogic.

On July 30, 2007 Watchtower announced an extension of the acceptance period of the Offer until 17.00 (CET) on October 9, 2007.

Early termination of the Hart-Scott-Rodino pre-closing waiting period was granted on October 2, 2007, successfully completing the antitrust review process in the United States.

Watchtower has received information that its application for clearance of the Offer in the European Union has been extended into the second phase of the review procedure. Watchtower has therefore decided to extend the acceptance period until 17.00 (CET) on December 7, 2007. Provided that Watchtower announces that the conditions of the Offer have been satisfied or waived on December 13, 2007, settlement is expected to commence approximately one week thereafter.

The European Union's Phase II process can last up to 90 working days, starting from October 3, 2007, unless extended. If extended, it may take up to 125 working days.

All other terms and conditions set out in the offer document apply during the extended acceptance period.

The offer document in a Swedish and an English version and other information about the Offer is published on www.ibm.com/software/rational/welcome/telelogic/, on www.telelogic.com and on www.nordea.se/placera.

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