



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
March 27, 2008

Watchtower completes 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.

By March 19, 2008, being the end of the extended acceptance period under the Offer, Telelogic shareholders holding an aggregate of 239,591,672 shares, corresponding to approximately 96.9% of the share capital and the total number of votes in Telelogic, had accepted the Offer.

All conditions of completion of the Offer have been satisfied and Watchtower therefore declares the Offer unconditional. Settlement in respect of the Telelogic shares duly tendered by March 19, 2008, is expected to occur on or around April 2, 2008.

Except for the Telelogic shares tendered under the Offer, Watchtower has not purchased any Telelogic shares.

Watchtower has decided to extend the acceptance period until 17.00 (CET) on April 3, 2008, to enable Telelogic shareholders who have not yet accepted the Offer to accept the Offer. Settlement in respect of this extended acceptance period is expected to occur on or around April 15, 2008.

Watchtower intends to initiate compulsory acquisition proceedings with respect to those Telelogic shares not tendered in the Offer. It is expected that an announcement with respect to delisting of the Telelogic shares will be made in the near future, after discussions with the OMX Nordic Exchange Stockholm.

Watchtower may purchase further Telelogic shares on the market.

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.

For further information, please contact:

Leigh Ann Schmidt
IBM Media Relations
+1 914 766 1362
leighanns@us.ibm.com

Nordea Bank AB (publ)
+46 8 678 04 80

Kory Liss
IBM Investor Relations
+1 914 499 4095
kory@us.ibm.com

Catharina Paulcén
Telelogic EVP Corporate Communications
+46 40 17 47 30
catharina.paulcen@telelogic.com