

update software AG

ISIN AT0000747555

D i v i d e n d A n n o u n c e m e n t

In the 12th annual shareholders' meeting held on May 26, 2009, the Company's shareholders resolved to distribute a **dividend of EUR 0.10** per authorised no-par share for the 2008 financial year.

The dividend will be paid less 25% withholding for investment income tax purposes, unless there is an exception to collecting the investment income tax, starting May 29, 2009, based on the securities account balances as credited on May 26, 2009 by the banks maintaining such accounts.

Paying agents will be Bank Austria Creditanstalt AG in Austria and Bankhaus Gebrüder Martin AG in Germany.

Trading ex dividend 2008 on the Frankfurt Stock Exchange will begin on May 27, 2009.

Vienna, May 2009

The Management Board