

Press Release

Day Software Revenue Leaps 33% in First Half 2009

Record Customer Growth Drives 11% Operating Income and Strong GAAP Profitability

Basel, Switzerland and Newport Beach, California – 29 July 2009 – Day Software Holding AG (SIX: DAYN, OTCQX: DYIHY), a leading supplier of content management and content infrastructure software, today announced strong revenue growth and a return to GAAP profitability for the first half of 2009.

Day reported total revenues of CHF 17.0M, an increase of 33% from total revenue of CHF 12.8M for the first half of 2008. License revenue accounted for 42% of total revenue at CHF 7.2M, an increase of 26% from total license revenue of CHF 5.8M for the first half of 2008. Strong customer renewals drove CHF 5.4M in support and maintenance revenue, or 32% of total revenue, with services revenue totaling CHF 4.4M for the period. Day also reported operating income of CHF 1.8M, or 11% of revenue, and better-than-expected GAAP net income of CHF 1.1M, or 6% of revenue. Total cash was CHF 18.3M, a 21% increase over 1H 2008.

“Despite the continued difficult economic environment, we enjoyed incredible momentum in the first half of 2009,” said Erik Hansen, CEO, Day Software. “In Q2 alone, we saw 18 new customers make a significant investment in Day as CQ5 continues to take market share and represent a solid alternative to legacy Web 1.0 content management systems. We have also seen a significant increase in customer reorders as our installed base updates to CQ5 and takes advantage of our recently released CQ 5.2 Digital Asset Management (DAM) and Social Collaboration (SoCo) modules.”

In addition to strong revenue growth, Day also reaped the benefits of the operational restructuring highlighted in its second-half 2008 earnings announcement. Commented Hansen, “In Q4 2008, we took the decision to focus the company on its core business and to make the financial structure of the company more transparent and thereby ready for the 2009 economy. In addition, we invested in new sales capacity in the United States and Europe and strengthened marketing and channel development resources. I am pleased that the hard decisions we made in Q4 2008 have yielded not only strong revenue growth, but also better-than-expected operating results with our early return to GAAP profitability and 6% reported net income.”

Customer Success Highlights

- Day significantly increased its rate of customer acquisition, winning 18 new customers globally in Q2, including a major new win at Adobe. Other major new wins in the United States in the first six months of 2009 include General Motors (GM), U.S. Army, Arbella, RAND, the University of Cincinnati and Boston College. Major new wins in Central Europe include Boehringer, Fraport, SIKA, and the European Space Organization.
- Day also saw additional wins from its added sales capacity. Day added Virgin Media and Associated Northcliff Digital in the U.K., LaRedoute in France, Telecom Italia in Italy, and Starhub and the Singapore Government in Singapore.
- Day drove significant reorders as a result of strong installed base uptake of CQ5 and Day's newly released DAM and Social Collaboration offerings. Major reorders included City of Chicago, F5 Networks, Sephora, Nissan, Volkswagen, Daimler, City of Zurich, and Sonova.

Product and Industry Leadership Highlights

- In March 2009, Day released its CQ 5.2 Digital Asset Management (DAM) and Social Collaboration (SoCo) applications. Built atop a shared ECM platform and unified user experience, CQ 5.2 Web Content Management (WCM), DAM, and Social Collaboration as a combined suite drove increased win rates and migration from traditional, legacy Web 1.0 vendors.
- In April 2009, Day announced that Day's CTO, David Nuescheler, was named Star Spec Lead by the Java Community Process (JCP) for his work driving the JSR-170 and JSR-283 standards. Day also announced its efforts on the Content Management Interoperability (CMIS) draft specification, including sponsorship of a new Apache incubator project, Apache Chemistry, to serve as a vendor-neutral, shared reference implementation.

Business Highlights

- Day significantly grew its worldwide ecosystem of solution providers. Accelerated demand for Day's new CQ5 solution spurred strong new business relationships with partners globally, including MRM, Digitas, Thoughtworks, Logica, Sapient, Acuity, and NCS Singapore amongst others.
- Day launched two new regional offices in Europe in the first half of 2009, opening new offices in Milan, Italy, and Paris, France. In Milan, Day hired industry veteran Bruno Degradi, formerly of Computer Associates (CA) and Netegrity. In Paris, Day hired Web Content Management veteran Lynda Lartique, former Country Manager for France and Belgium for Interwoven. Day's expanded market presence in Europe drove new channel relationships and immediate sales traction in the period.

- In May 2009, Day announced the addition of two new members to its Board of Directors. Industry veterans Barry Bycoff and David Arnott joined Day's Board to help Day continue momentum around CQ5 and assist in new strategic growth initiatives.

"We had an exceptionally strong 1H 2009," said CEO Hansen. "Our operational improvements, new sales capacity, and new products doubled our rate of customer acquisition and grew our revenues at rates well ahead of overall industry. We demonstrated excellence in execution in all three key areas: top-line revenue growth, bottom-line earnings growth, and a healthy increase in overall cash position.

Hansen concluded: "While the economy remains uncertain, we continue to see strong interest in Day solutions in our core CMS market as organizations invest in their online channel. We remain cautiously optimistic about the second half of the year. As a result, we anticipate a further step-up in our sales and marketing investments over the next two quarters to make the company ready for an even stronger 2010."

About Day - www.day.com

Day Software is the ECM pioneer that leading global enterprises rely on for their Web 2.0 content application and content infrastructure needs. Day's Content Repository Extreme (CRX) is the industry's leading Java Content Repository (JCR) that provides unique virtualization services to consolidate legacy repositories and unique cloud computing services to lower IT operational costs. Day's CQ5 provides industry-leading Web Content Management, Digital Asset Management, and Social Collaboration in a single, unified suite and won the 2009 InfoWorld Technology of the Year Award for "Best Web CMS".

Day is an international company with headquarters in Basel, Switzerland and Newport Beach, California, traded since April 2000 on the SIX Swiss Exchange, and "Over the Counter" (OTC) as American Depositary Receipts (OTCQX:DYIHY). Day's customers are worldwide leading global enterprises, including: Adobe, Audi, Volkswagen, Daimler, General Motors, Nissan, Williams-Sonoma, Sephora, University of Phoenix, InterContinental Hotels Group, and McDonald's.

A Warning Regarding Forward-looking Statements

This press release may contain forward-looking statements regarding future events or the future performance of Day Software Holding AG and its subsidiaries (the "Company"). Words such as "expects," "plans," "believes," "may," "will," and variations of these words or similar expressions are intended to identify forward-looking statements. These statements speak only as of the date hereof. Such information is subject to change, and we will not necessarily inform you of such

changes. Actual events or results, of course, could differ materially and adversely from those expressed in any forward-looking statement. The Company does not make filings (e.g., Forms 10-K and 10-Q) with the Securities and Exchange Commission under the Securities Exchange Act of 1934.

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Further and more detailed information on the financial results for the first half year 2009 will be published mid-August on the Investor Relations section of Day's website. Supplementary financial information for Q2 2009 is available immediately at <http://www.day.com/investors/financialreports.html>.

The English text of this press release represents the binding version.