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ILOG NAMED AS BUSINESS RULE MANAGEMENT SYSTEMS MARKET LEADER BY LEADING MARKET RESEARCH FIRM

ILOG is Sole Vendor in "Star" Status Quadrant in New Research Report

INTERNATIONAL BUSINESS RULES FORUM, ORLANDO, Fla. – Oct. 29, 2008 – [ILOG®](#) (NASDAQ: ILOG, Euronext: ILO, ISIN: FR0004042364) today announced that it has been designated by International Data Corporation (IDC) as the Business Rule Management Systems (BRMS) market leader in the October 2008 report "Worldwide Business Rules Management Systems 2008 – 2012 Forecast and 2007 Vendor Shares" (Doc # 214643). ILOG is the sole vendor residing in the "star" status quadrant which identifies vendors with both high market share and high growth.

IDC's study found that the worldwide BRMS market enjoyed healthy growth with revenues increasing 11.4 percent from 2006 to 2007 for an industry-wide total of \$260.8 million in annual license and maintenance revenue. ILOG outpaced the overall market growth with a 19.9% increase in BRMS revenues in 2007. According to the report, there are a number of positive signs that will lead to a doubling of industry revenues by 2012, including increasing demand for BRMS as a consequence of IT governance, risk management, and compliance initiatives.

"ILOG's success is due to several factors," said Stephen D. Hendrick, group vice president for application development and deployment at IDC. "First, BRMS is a primary product focus of ILOG as a company. This is not true for the other leading vendors. Second, ILOG has a sizable and rapidly growing services business which ensures customer success and satisfaction with ILOG's products. Third, ILOG is a French company which gives them a local advantage in Europe, where it has established a dominant position supported in part by the lack of execution by the other leading

vendors. ILOG's clear leadership in Europe and worldwide leadership should position ILOG as a preferred vendor for the smaller but high growth Asia Pacific markets.”

The IDC study examines the business rule management systems market for the period from 2005 to 2012, with vendor revenue trends and market growth forecasts. Worldwide market sizing is provided for 2007, with trends from 2006. The study includes a five-year growth forecast for this market for 2008 – 2012 as well as revenue and market share of the leading vendors for 2007. The study also provides profiles of leading vendors and identifies the characteristics that vendors will need to be successful in the future.

ILOG has consistently built on its history of product innovation to make it one of the industry's leading providers of business rule management system software. Customers of ILOG's award-winning BRMS products include eBay, Equifax, Grupo Santander, Visa, Vodafone, Zurich, and many other leading Global 2000 companies and governments worldwide. ILOG's business rule management system (BRMS) product line includes ILOG JRules, ILOG Rules for .NET and ILOG Rules for COBOL. To learn more about BRMS please visit www.ilog.com/brms.

About ILOG

ILOG delivers software and services that empower customers to make better decisions faster and manage change and complexity. Over 3,000 corporations and more than 465 leading software vendors rely on ILOG's market-leading business rule management system (BRMS), supply chain planning and scheduling applications and optimization and visualization software components, to achieve dramatic returns on investment, create market-defining products and services, and sharpen their competitive edge. ILOG was founded in 1987 and employs more than 840 people worldwide. For more information, please visit www.ilog.com.

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