

● Day

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Day Software Report for the First Half of 2009

Total revenues for the first half of 2009 amounted to TCHF 17,016, compared to TCHF 12,802 for the first half of 2008. Software license revenues for the first half of 2009 amounted to TCHF 7,236 or 43% of total revenues, compared to TCHF 5,751 for the first half of 2008 or 45% of total revenues. Product support revenues for the first half of 2009 increased 21% to TCHF 5,356, compared to TCHF 4,437 for the first half of 2008 due to growing customer base and consistent product support renewals. Services revenues for the first half of 2009 increased 69% to TCHF 4,424, compared to TCHF 2,614 for the first half of 2008. Increase in services revenues is due to increase in license contracts and Day's Communiqué 5 product suite release at end of 2008.

The Company generated total revenues of TCHF 8,801 (or 52% of total revenues) in Europe and TCHF 8,215 (or 48% of total revenues) in the Americas and Asia Pacific in the first half of 2009, as compared to TCHF 6,582 (or 51% of total revenues) in Europe and TCHF 6,220 (or 49% of total revenues) in the Americas and Asia Pacific in the first half of 2008. Revenues generated in Asia Pacific were less than 2% of total revenues. The United States was the country contributing the greatest amount of revenues in the both the first half of 2009 and 2008.

Cost of revenues for the first half of 2009 increased 43% to TCHF 4,096, compared to TCHF 2,864 for the first half of 2008 due to the 69% increase in service revenue.

Gross profit for the first half of 2009 increased 30% to TCHF 12,920, compared to TCHF 9,938 for the first half of 2008 due to the increase in software license and product support revenues. The gross profit margin for the first half of 2009 was 76%, compared to 78% for the first half of 2008.

Operating expenses for the first half of 2009 increased TCHF 1,278 or 13% to TCHF 11,139, as compared to TCHF 9,861 for the first half of 2008. Research and development expenses decreased 5%. Sales and marketing expenses increased 18% due to an increase in sales related expenses associated with the increase in revenue and increase in trade shows and other marketing activities. General and administrative expenses increased 32% due to additional personnel costs, facility costs and professional fees incurred to support the company's growth. Operating expenses for the first half of 2009 and 2008 included a TCHF 350 and TCHF 311 charge for share-based compensation expense, respectively. Total headcount as of June 30, 2009 and 2008 was 125 and 111, respectively. Headcount as of June 30, 2009 was allocated as follows: professional services 32%, research and development 31%, sales and marketing 25%, and general and administration 12%.

On December 31, 2008, the Company sold its wholly owned subsidiary, MarketingNet, a UK company active in the agency services business. The Company acquired MarketingNet in October 2000. This sale was part of the Company's efforts to refocus its UK operations on its core business and drive UK expansion through a channel-driven model. MarketingNet's results of operations have been reported as a component of discontinued operations for the six months ended June 30, 2008 in the consolidated statements of operations and cash flows. Net loss from discontinued operations, net of tax was TCHF 412 for the six months ended June 30, 2008. Net income for the first half of 2009 was TCHF 1,055, compared to net loss of TCHF 401 for the first half of 2008. Provision for taxes for the first half of 2009 was TCHF 952 compared to TCHF 29 for the first half of 2008.

CONSOLIDATED BALANCE SHEETS

(in thousands CHF, except share information)
(unaudited)

	June 30, 2009	December 31, 2008
ASSETS		
Current assets		
Cash and cash equivalents	18,317	12,814
Accounts receivable, net of allowance	8,905	9,263
Unbilled receivables	227	76
Other receivables	189	157
Prepaid expenses	505	397
Deferred tax assets	617	1,005
Total current assets	28,760	23,712
Non-current assets		
Property and equipment, net	330	346
Deferred tax assets	1,354	1,634
Other assets	126	105
Total non-current assets	1,810	2,085
TOTAL ASSETS	30,570	25,797
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable	823	874
Deferred revenue	7,473	4,568
Other current liabilities	954	1,402
Current income taxes payable	420	190
Accrued liabilities	3,679	3,196
Total current liabilities	13,349	10,230
Deferred revenue less current portion	454	619
Long-term portion of unfunded pension obligation	2,458	2,295
Total liabilities	16,261	13,144
Shareholders' equity		
Share capital, CHF 10.00 par value; 1,473,123 shares issued and outstanding, 718,500 additional authorized, 736,500 conditional as of June 30, 2009; 1,473,123 shares issued and outstanding, 718,500 additional authorized, 682,810 conditional as of December 31, 2008	14,731	14,731
Treasury shares	(174)	(370)
Additional paid-in capital	141,839	141,388
Accumulated deficit	(142,606)	(143,570)
Accumulated other comprehensive loss	519	474
Total shareholders' equity	14,309	12,653
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	30,570	25,797

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands CHF, except share and per share information)
(unaudited)

	Six Months Ended June 30, 2009	Six Months Ended June 30, 2008
Revenues		
Software licenses	7,236	5,751
Product support	5,356	4,437
Services	4,424	2,614
Total revenues	17,016	12,802
Cost of revenues		
Software licenses	12	173
Product support and services	4,084	2,691
Total cost of revenues	4,096	2,864
Gross profit	12,920	9,938
Operating expenses		
Research and development	3,273	3,435
Sales and marketing	5,078	4,307
General and administrative	2,788	2,119
Income from continuing operations	1,781	77
Interest income	28	65
Interest expense	(9)	(2)
Foreign exchange gain (loss)	235	(120)
Other income (expenses)	(28)	20
Income from continuing operations before income taxes	2,007	40
Provision for taxes	(952)	(29)
Net income from continuing operations	1,055	11
Net loss from discontinued operations, net of tax	-	(412)
Net income (loss)	1,055	(401)
Basic net income (loss) per share		
Continuing operations	0.72	0.01
Discontinued operations	-	(0.29)
Net income (loss)	0.72	(0.28)
Diluted net income (loss) per share		
Continuing operations	0.72	0.01
Discontinued operations	-	(0.29)
Net income (loss)	0.72	(0.28)
Shares used in computing basic net income (loss) per share	1,458,588	1,425,367
Shares used in computing diluted net income (loss) per share	1,460,576	1,512,837

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands CHF)

(unaudited)

	Six Months Ended June 30, 2009	Six Months Ended June 30, 2008
Net income (loss)	1,055	(401)
Net loss - discontinued operations	-	412
Adjustments to reconcile net income (loss) to net cash provided by operating activities of continuing operations		
Depreciation and amortization of fixed assets	98	76
Amortization of capitalized software costs	-	170
Net foreign currency exchange (gain) loss	(235)	22
Share-based compensation	350	302
Changes in operating assets and liabilities		
Accounts receivable	638	2,077
Unbilled receivables	(155)	496
Prepaid expenses and other current assets	(123)	(344)
Deferred tax assets	698	-
Other assets	(17)	-
Accounts payable	(73)	(254)
Deferred revenues	2,604	2,135
Accrued liabilities	413	(412)
Other current liabilities	(473)	(255)
Current income taxes payable	225	-
Pension liabilities	163	-
Net cash provided by operating activities of continuing operations	5,168	4,024
Cash flows from investing activities of continuing operations		
Purchases of equipment	(78)	(64)
Net cash used in investing activities of continuing operations	(78)	(64)
Cash flows from financing activities of continuing operations		
Proceeds from stock option exercises	-	167
Purchase of treasury shares	(230)	(657)
Proceeds from sale of treasury shares	436	514
Net cash provided by financing activities of continuing operations	206	24
Net cash used - discontinued operations	-	(44)
Foreign currency adjustment on cash	207	(278)
Net cash and cash equivalents at end of period - discontinued operations	-	(35)
Net increase in cash and cash equivalents	5,503	3,627
Cash and cash equivalents at beginning of period	12,814	11,521
Cash and cash equivalents at end of period	18,317	15,148

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

(in thousands CHF, except share information)

(unaudited)

	Share Capital		Treasury Shares	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity
	Shares	Amount					
Balances							
January 1, 2008	1,437,433	14,374	(620)	140,568	(131,227)	(1,608)	21,487
Proceeds from exercise of stock options	35,690	357	-	120	-	-	477
Purchase of treasury shares	-	-	(1,047)	-	-	-	(1,047)
Proceeds from sale of treasury shares	-	-	1,297	(43)	(341)	-	913
Share-based compensation	-	-	-	743	-	-	743
Comprehensive income (loss):							
Prior service cost	-	-	-	-	-	(197)	(197)
Net loss	-	-	-	-	(12,002)	-	(12,002)
Foreign currency translation	-	-	-	-	-	2,279	2,279
Total comprehensive income (loss)	-	-	-	-	-	-	(9,920)
Balances							
December 31, 2008	1,473,123	14,731	(370)	141,388	(143,570)	474	12,653
Purchase of treasury shares	-	-	(230)	-	-	-	(230)
Proceeds from sale of treasury shares	-	-	426	101	(91)	-	436
Share-based compensation	-	-	-	350	-	-	350
Comprehensive income (loss):							
Net income	-	-	-	-	1,055	-	1,055
Foreign currency translation	-	-	-	-	-	45	45
Total comprehensive income (loss)	-	-	-	-	-	-	1,100
Balances							
June 30, 2009	1,473,123	14,731	(174)	141,839	(142,606)	519	14,309

See accompanying notes to the consolidated financial statements.

Notes to Consolidated Interim Financial Statements

(unaudited)

Note 1 – Organization and History

Day Software Holding AG (collectively with its subsidiaries, the "Company") was formed on October 29, 1999, as a stock corporation under the laws of Switzerland. The Company is a provider of content management and content infrastructure software. The Company's Communiqué product offers a comprehensive suite of business applications for managing all forms of enterprise content, users, and processes to drive collaboration and communication through the Web. The Company's Content Repository Extreme (CRX) product is a modern Java Content Repository (JCR) that serves as core application infrastructure that virtualizes access to content across an enterprise and enables rapid development and scalable hosting for any Web-based business application, including the Company's own Communiqué suite. The Company's CRX product represents an industry-first implementation of modern open standards (JSR-170) and a ground-breaking open source core (Apache Jackrabbit, Sling, and Felix) developed through the Company's leadership role in industry standards bodies and the Apache Software Foundation (ASF). The Company sells and markets its Communiqué suite to marketing departments within global enterprises through its direct sales force and channel partners throughout Europe, the Americas, and Asia-Pacific. The Company sells and markets its CRX product to OEM partners and IT developers through its online channel.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The accompanying unaudited consolidated interim financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America ("US GAAP"). Certain amounts reported in previous years have been reclassified to conform to the 2009 presentation.

On December 31, 2008, the Company sold its wholly owned subsidiary, MarketingNet, a UK company active in the agency services business. The Company acquired MarketingNet in October 2000. This sale was part of the Company's efforts to refocus its UK operations on its core business and drive UK expansion through a channel-driven model. MarketingNet's results of operations for the six months ended June 30, 2008 have been reported as a component of discontinued operations in the consolidated statements of operations and cash flows.

These unaudited consolidated interim financial statements should be read in conjunction with the audited financial statements and notes related thereto for the period ended December 31, 2008, included in the Company's Annual Report. The unaudited consolidated interim financial statements include all adjustments necessary to present fairly the Company's consolidated financial position as of June 30, 2009, notes explaining any significant changes that have occurred since December 31, 2008 and the consolidated results of its operations and cash flows for the six months ended June 30, 2009. The consolidated results of such interim periods are not necessarily indicative of the results to be achieved for the period ended December 31, 2009.

Principles of Consolidation

The accompanying unaudited consolidated interim financial statements include the accounts of Day Software Holding AG and its wholly-owned subsidiaries. All significant intercompany accounts and transactions have been eliminated in consolidation.

Revenue Recognition

The Company derives revenues from software licenses, product support and services. The Company recognizes revenue in accordance with Statement of Position 97-2, Software Revenue Recognition ("SOP 97-2").

Software license revenue is generally recognized when persuasive evidence of an arrangement exists, delivery of the product has occurred, the fee is fixed or determinable and collectibility is probable.

Product support revenue, consisting of software license updates and technical support, is included in the majority of the Company's software license agreements and is generally priced based on a percentage of the product license fee and is recognized ratably over the term of the agreement, typically one year. Software license updates provide customers with rights to unspecified software updates and new releases and patches during the term of the support period.

Service revenue primarily consists of fees from software integration and training. The Company generally bills its professional services customers on a time and materials basis and recognizes revenue as the services are performed.

Generally, software licenses are sold with product support and services. For these multiple-element arrangements, the entire fee must be allocated to each element in the arrangement based on the element's fair value. The fair value is determined based on vendor-specific objective evidence ("VSOE") of fair value. VSOE of fair value is the price charged for the products and services if sold separately and the renewal rate for product support. Where fair values do not exist for one or more of the delivered elements but do exist for all of the undelivered elements, the Company recognizes revenue using the "residual method" under which the arrangement fee for the delivered elements is based on the difference between the total arrangement fee and the VSOE of fair value of the undelivered elements. The total fair value of the undelivered elements is deferred and subsequently recognized in accordance with SOP 97-2.

Services sold within a multiple-element arrangement are accounted for separately from the other elements in the arrangement if the service element is not essential to the functionality of the other elements of the arrangement.

The Company defers revenue for software arrangements when the arrangement does not qualify for revenue recognition under SOP 97-2. These amounts are reflected as deferred revenue on the accompanying consolidated balance sheets.

Foreign Currency

The functional currencies of the Company's foreign subsidiaries are their respective local currencies. Translation adjustments of local currency financial statements into the Swiss Franc ("CHF") are reflected as a component of other comprehensive income. Foreign exchange gains and (losses) resulting from specific foreign currency transactions are included in the consolidated statements of operations. Foreign exchange gains (losses) were TCHF 235 and TCHF (120) for the six months ended June 30, 2009 and 2008, respectively.

Recent Accounting Standards

In November 2008, the Financial Accounting Standards Board ("FASB") ratified the Emerging Issues Task Force's ("EITF") final consensus on Issue 08-6, *"Equity Method Investment Accounting Considerations ("EITF 08-6")*. EITF 08-6 is effective on a prospective basis in fiscal years beginning on or after December 15, 2008 and interim periods within those fiscal years. The Company does not expect EITF 08-6 to have an impact on the consolidated financial statements as the Company does not have any investments accounted for using the equity method.

Note 3 – Capitalized Software Development Costs

Statement of Financial Accounting Standards No. 86, *Accounting for the Costs of Computer Software to be Sold, Leased or Otherwise Marketed*, requires development costs incurred in the research and development of new software products to be sold or marketed to be expensed as incurred until technological feasibility in the form of a working model has been established at which time such costs are capitalized, subject to recoverability, until the software products are available for sale. Monthly amortization of capitalized software development costs, charged to cost of revenues – software licenses in the statement of operations, is the greater of the amount calculated by the straight-line method over the estimated life of the product or the amount calculated by using the ratio that current gross revenues bear to total estimated gross revenues of the product.

Unamortized capitalized software costs are reported at net realizable value, which is determined on a product-by-product basis and is based on estimated future gross revenues. The products related to the capitalized software development costs were no longer being sold based on their original code as developed as these software products had gone through a major architectural redesign during 2008. Therefore, management estimated that future gross revenue related to these products was close to zero and these unamortized capitalized software costs were written down to zero as of December 31, 2008.

There were no capitalized software development costs during 2009 or 2008. Amortization of capitalized software development costs was TCHF 0 and TCHF 170 for the six months ended June 30, 2009 and 2008, respectively.

Note 4 – Discontinued Operations

On December 31, 2008, the Company sold its wholly owned subsidiary, MarketingNet, a UK company active in the agency services business. This sale was part of the Company's efforts to refocus its UK operations on its core business and drive UK expansion through a channel-driven model.

Net loss from discontinued operations for the six months ended June 30, 2008 includes TCHF 93 of amortization of intangible assets resulting from the acquisition of MarketingNet in October 2000 and TCHF 319 of loss from operations of MarketingNet.

Note 5 – Shareholders' Equity

Treasury Shares

The Company purchases and sells its own shares of common stock and accounts for these transactions under the cost method of accounting for treasury shares. Treasury shares are included in the Consolidated Balance Sheets as a reduction in Shareholders' Equity. Purchases of the Company's own shares are reported at cost as an increase in treasury shares. Sales of the Company's own shares are reported as a reduction in treasury shares based on the First in First Out ("FIFO") method. If the shares are sold at a price in excess of the original cost using the FIFO method (gain on sale), paid-in capital is increased for the gain on sale. If the shares are sold at a price less than the original cost using the FIFO method (loss on sale), paid-in capital is first decreased by an amount not to exceed the paid-in capital amount from previous treasury share transactions. Any remaining loss on sale is recorded as a decrease to retained earnings.

The Company acquired 12,519 treasury shares at an average price of CHF 18.41 per share and sold 21,869 treasury shares at an average price of CHF 19.91 per share during the six months ended June 30, 2009. The sale of treasury shares sold during the six months ended June 30, 2009 resulted in a TCHF 101 increase in paid-in capital and a TCHF 91 increase in accumulated deficit. There were 8,406 and 17,756 shares of capital stock in the treasury as of June 30, 2009 and December 31, 2008, respectively.

Note 6 – Share-based Compensation

The Company has two stock option plans, the Day Interactive Holding AG International Stock Option Plan (the "International Option Plan") and the Day Interactive Holding AG United States Stock Option Plan (the "United States Option Plan"). Both the International Option Plan and United States Option Plan are administered by the Board of Directors, which determines the terms and conditions of the options granted, including exercise price, number of options granted and the vesting period of such options. Substantially all of the stock options outstanding vest over a 2 to 4 year period all and have an exercise price equal to the market value on date of grant. The maximum term of options granted under the International Option Plan and the United States Option Plan is five and ten years, respectively. There are a total of 387,068 shares of capital stock available for issuance under the two stock options plans as of June 30, 2009.

On January 1, 2006, the Company adopted Statement of Financial Accounting Standards No. 123 (revised 2004), *Share-Based Payment* ("SFAS 123R"). SFAS 123R establishes accounting guidance for transactions in which an entity awards its equity instruments in exchange for employee services. The cost of the employee's service is measured based on the grant date fair value of the equity instrument, adjusted for estimated forfeiture rate, and is expensed over the vesting period of the equity instrument. SFAS 123R applies to all awards granted, modified, repurchased or cancelled after SFAS 123R is adopted. The Company is using the modified prospective method established under SFAS 123R to account for all unvested awards granted prior to January 1, 2006. Under the modified prospective method, share-based compensation expense is calculated by taking the original grant date fair market value of the award calculated under the provisions of Statement of Financial Accounting Standards No. 123, *Accounting for Stock-Based Compensation*, and amortizing the pro rata expense over the remaining vesting period.

Share-based compensation expense included in the consolidated statements of operations

In thousands CHF	Six Months Ended June 30,	
	2009	2008
Cost of revenues	33	26
Research and development	29	49
Sales and marketing	98	95
General and administrative	190	141
Total share-based compensation	350	311

Total share-based compensation cost not yet recognized related to nonvested share-based arrangements was TCHF 1,805 as of June 30, 2009. It is estimated that this cost will be recognized over a weighted average period of 2.95 years.

The Company calculated the fair value of each option grant on the date of grant using the Black-Scholes option-pricing model as prescribed by SFAS 123R using the assumptions in the following table. The risk free interest rate is based on the Swiss Confederation bond yield during the option grant period. The expected life is calculated taking an average between the option vesting term and the contractual term. The expected volatility is based on historical volatility. The forfeiture rates are based on historical forfeitures.

Assumptions for calculation of the fair value of each option granted on the date of grant using the Black Scholes option-pricing model under both stock option plans

	Six Months Ended June 30,	
	2009	2008
Risk free interest rate – United States Plan	0.80%-1.50%	3.14%-3.25%
Expected life (years) - International Plan	3.75	3.75
Expected life (years) - United States Plan	6.25	6.25
Expected volatility	43%-60%	44%-45%
Forfeiture rate - International Plan	-	-
Forfeiture rate - United States Plan	-	-
Dividend yield	-	-

Stock option activity under both stock option plans for the six months ended June 30, 2009

	Number of Options	Weighted Average Exercise Price (per share in CHF)	Aggregate Intrinsic Value (In thousands CHF)
Outstanding, December 31, 2008	404,296	23.97	
Granted	29,250	15.88	
Exercised	-	-	
Forfeited or expired	(84,114)	25.16	
Outstanding, June 30, 2009	349,432	23.01	1,752
Exercisable, June 30, 2009	192,239	22.27	1,000

The total aggregate intrinsic value of options outstanding was calculated as the difference in the Company's closing stock price on the last trading day in the period and the exercise price of options outstanding on the last day in the period multiplied by the number of options outstanding on the last day of the period. The total aggregate intrinsic value of options exercisable was calculated as the difference in the Company's closing stock price on the last trading day in the period and the exercise price of options exercisable (or vested and outstanding) on the last day in the period multiplied by the number of options exercisable (or vested and outstanding) on the last day of the period.

Note 7 – Retirement and Pension Plans

In the United States, the Company sponsors a 401(k) retirement plan that is considered a defined contribution discretionary plan under which eligible participants may contribute up to a maximum of 80% of their pre-tax earnings subject to certain statutory limitations. The Company made no discretionary contributions to the 401(k) retirement plan during the six months ended June 30, 2009 and 2008.

In Switzerland, the Company sponsors a defined benefit plan (the “Plan”) covering all of its employees earning more than TCHF 25 per year. Net periodic pension benefit cost was TCHF 422 and TCHF 259 for the six months ended June 30, 2009 and 2008, respectively.

Note 8 – Earnings Per Share

Basic net income (loss) per share is computed by dividing net income (loss) available to shareholders by the weighted average number of shares outstanding during the period. Diluted net income per share is computed by dividing net income available to shareholders by the weighted average number of shares outstanding plus the effect of potentially dilutive common shares outstanding during the period using the treasury stock method. Potentially dilutive common shares include outstanding stock options. Diluted net loss per share is the same as basic loss per share as the effect of the assumed exercise of common stock equivalents is anti-dilutive due to the Company’s net losses. Outstanding stock options totaling 338,540 and 134,000 six months ended June 30, 2009 and 2008, respectively, have been excluded from the calculation of the weighed average shares outstanding as the effects are anti-dilutive.

Note 9 – Income Taxes

A substantial portion of the Company’s operations is outside of Switzerland and in various countries with different tax laws and rates. The current provision for income taxes is based on income generated in various countries. The income tax provision was TCHF 952 and TCHF 29 for the six months ended June 30, 2009 and 2008, respectively.

Deferred tax assets were TCHF 1,971 and TCHF 2,639 at June 30, 2009 and December 31, 2008, respectively. The Company has deferred tax assets primarily as a result of net operating loss carryforwards. The Company has recorded a valuation allowance to reduce these deferred tax assets to the level that management believes will more likely than not be realized. Management periodically reassesses its estimate of the Company’s ability to realize its deferred tax assets based on historical income and estimated projected discounted future taxable income for each country to determined if a change in the valuation allowance would be appropriate.

Note 10 – Segment Information

The Company operates predominantly in a single industry segment as a provider of enterprise software and related services. The Company's reportable operating segments, based on geographic location of transaction, are Europe and the Americas. The Company's Asia Pacific operating segment has been combined with the Americas as the operations are not significant. The accounting policies of the segments are the same as those described in the summary of significant accounting policies.

Segments by geographic area of origin

In thousands CHF	Six Months Ended June 30,	
	2009	2008
Total Revenues		
Europe	8,801	6,582
Americas	8,215	6,220
Total	17,016	12,802
Software License Revenues		
Europe	4,166	2,825
Americas	3,070	2,926
Total	7,236	5,751
Product Support Revenues		
Europe	2,759	2,548
Americas	2,597	1,889
Total	5,356	4,437
Service Revenues		
Europe	1,876	1,209
Americas	2,548	1,405
Total	4,424	2,614
Net Income (Loss)		
Europe	113	(15)
Americas	942	(386)
Total Net Income (Loss)	1,055	(401)

Note 11 – Commitments and Contingencies

Indemnification Clauses in Software License Agreements

The Company's standard software license agreement includes an indemnification clause that indemnifies the licensee against liability and damages arising out of or in connection with an assertion that the software infringes any United States trademark or copyright. Financial Accounting Standards Board Interpretation No. 45, *Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others*, requires certain disclosures regarding intellectual property infringement indemnification. To date, the Company has had no material claims or costs related to these indemnification clauses and therefore, has no liability recorded related to these indemnification clauses as of June 30, 2009 and December 31, 2008.

About Day (www.day.com)

Day 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.

Forward-looking Statements

This report 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 the Company 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.

For further information

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