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ANGOSS EXPANDS FINANCE & ICT CLIENT BASE IN 2ND QUARTER INTRODUCES PREDICTIVE LEADS. ON DEMAND.™ FOR SALESFORCE.COM

Toronto, Canada – July 3, 2007

Angoss Software Corporation (Angoss) (TSX-V: ANC) today announced unaudited results for the second quarter and six months ending May 31, 2007.

For the six months ended May 31, 2007 revenues of \$3,484,636 were up 5% over 2006 results (\$3,345,778). Expanding predictive analytics solutions sales and opportunities in the retail and small business banking, mutual funds, insurance and ICT industries continue to be the Company's primary focus of activity. Revenue growth was achieved primarily from the FundGUARD™ predictive sales targeting system for mutual funds, from the ClaimGUARD™ insurance claims fraud detection system, and from expanding sales of the company's predictive credit risk analytics suite KnowledgeSEEKER®, KnowledgeSTUDIO® and StrategyBUILDER™ for financial services marketing and credit risk management applications.

During the second quarter, revenues of \$1,726,657 were down 2% from 2006 results (\$1,771,168). Sales and contract negotiation cycles, the timing of contract billings and recognition of revenues from existing solution delivery contracts, and foreign exchange volatility all impacted on second quarter results. However, during the second quarter the Company continued to expand its focus on and business with the world's leading financial services organizations, signed two new FundGUARD™ clients to trial subscriptions with ongoing recurring business from existing clients, successfully completed the initial implementation phase for its ClaimGUARD™ solution with a leading North American benefits insurance provider, and introduced a new sales analytics solution for the popular Salesforce.com on demand sales force automation suite.

The Company's business model is increasingly shifting to the provision of predictive analytics solutions combining software licensing or subscription services with associated industry specific implementation and configuration services. The Company's billed revenues in the quarter were approximately \$1,750,000 compared with prior year second quarter billed revenues of \$1,950,000. Quarterly billed revenues reflect implementation specific payment cycles for solution delivery, and will fluctuate from quarter to quarter while the Company expands its opportunity pipeline and backlog of signed contracts for future period deliveries. Since completion of the second quarter, for example, the Company has completed work under certain contracts and has also signed several additional solutions contracts that will result in additional recording of billed and earned revenues over the balance of 2007.

Operating expenses of \$1,638,673 were up 8% from the second quarter of 2006 (\$1,531,166). For the year to date operating expenses were \$3,206,376 up 10% from 2006 year to date expenses of

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\$2,889,447. First half operating expenses reflect continued research and development expense which resulted in the completion of a major software platform upgrade, administrative costs associated with the Company's relocation to new premises as well as ongoing patent and intellectual property investment costs, and investments in automated demand generation and sales force automation tools, as well as investments in data center infrastructure to support the Company's expanding on demand predictive analytics solutions business made to support scalable, profitable growth in this segment. These investments should support higher revenue growth and improved operating margins on both packaged software sales and for delivery of Angoss on demand analytics solutions as the Company's business base expands.

Second quarter revenues results and operating expenses growth resulted in operating profit of \$87,984 compared with prior year operating profit of \$240,002. Similarly the Company recorded a net loss of \$231,242 compared with second quarter 2006 net income of \$195,098. The most significant contributors to this shift were foreign exchange and increased amortization expenses associated with expansion of the Company's infrastructure to support on demand business development.

"Our second quarter results reflect our continuing transition to focus on higher value, but longer sales cycle, analytics solution sales in the financial services and ICT industries, and away from one-off lower transaction value sales of packaged software outside those areas" commented Angoss President Eric Apps. "During the second half of 2007 we expect to continue to strengthen our leadership position as a data mining systems vendor of choice in the finance industry and to expand our solutions business with additional implementations, and associated expansion of headcount for our sales, business development and solution delivery teams in the financial services and ICT industries."

Following completion of the second quarter, the Company's head of packaged software sales left the Company to pursue other interests. The Company plans to expand its analytics solutions sales team with seasoned sales professionals experienced in the sale of enterprise solutions for the North American insurance and information and communications technology markets.

Second Quarter Highlights

Angoss continues to expand its predictive analytics solutions offerings, combining market proven Angoss predictive analytics software and industry specific templates, best practices and implementation services that help clients achieve business value benefits from predictive analytics faster, and at lower cost.

Expansion of Predictive Analytics Software Deployments with Market Leaders in Financial Services. Client acquisitions of the Angoss KnowledgeSEEKER®, KnowledgeSTUDIO® and StrategyBUILDER™ suite during the first quarter continued to focus on the finance and information and communications technology industries with user expansions including loyalty program provider Aeroplan, financial services solution providers ChoicePoint, Compucredit, Convergys, Experian and Genpact, as well as analytics teams within Citigroup, Standard Chartered Bank, Wachovia, Washington Mutual and Wells Fargo.

Angoss Expands FundGUARD™ Customer Base and Capabilities. The Angoss FundGUARD™ solution continues to drive significant value for Angoss customers, with assets under management ("aum") of adopting clients growing by well over \$2 Billion. FundGUARD™ uses advanced analytics to drive territory coverage planning and growth in assets under management while reducing redemption risk. Additional client signings during the second quarter as well as planned enhancements of the FundGUARD™ solution to provide additional analytics and execution capabilities for mutual fund marketing and sales organizations reflect the expanded Angoss leadership position in this market segment.

Angoss Expands ClaimGUARD™ Implementation With Charter Client, Signs New Pilots, Builds Funnel at US Claims Fraud Detection Conference. Angoss successfully continued implementation of its ClaimGUARD™ solution with a leading North American based benefits insurer during the second quarter, concluding negotiations for a follow on implementation phase for the system commencing during

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the third quarter of 07. In addition Angoss has signed a second client to an initial solution pilot program, and expanded its sales funnel and focus on the claims lifecycle opportunity in the US benefits insurance market place, with recent promotion of the Angoss solution at the TowerGroup Financial Services Expo in Boston, Massachusetts, and at the National Anti-Fraud Association Conference attended by leading US benefits insurance carriers.

Angoss Introduces KnowledgeSEEKER® for Salesforce.com. During the second quarter Angoss completed and has since announced its newest predictive analytics solutions offering – an on demand data mining solution for Salesforce.com. Angoss will be marketing and promoting this solution through the balance of 2007 with both existing clients running Salesforce.com as their sales force automation platform and for prospects interested in integrating advanced analytics with their Salesforce.com implementations.

Stock Option Grants

The Company has approved the granting of 592,500 options to acquire 592,500 common shares at an exercise price of \$0.23 per share to 4 non-executive directors (112,500 options) as previously disclosed in the Company's 2006 management information circular and 480,000 options to 2 officers. Options granted to officers vest upon achieving criteria approved by the Board.

Results Summary

Unaudited preliminary results for the three and six months ended May 31, 2007 and corresponding 2006 results are as follows:

ANGOSS Software Corporation

Income Statement Information

(unaudited, stated in Canadian dollars)

	Three Months ended		YTD - Six Months	
	May 31, 2007	May 31, 2006	May 31, 2007	May 31, 2006
Revenues	\$ 1,726,657	\$ 1,771,168	\$ 3,484,636	\$ 3,345,778
Operating Expenses				
General and administration	457,297	442,932	839,815	811,912
Sales and marketing	1,000,154	802,130	1,906,086	1,510,854
Research and development, net	181,222	286,104	460,475	566,681
	1,638,673	1,531,166	3,206,376	2,889,447
Income before the following	87,984	240,002	278,260	456,331
Amortization of capital assets	(78,439)	(32,550)	(148,459)	(62,795)
Amortization of deferred charges	(16,968)	(22,246)	(26,236)	(36,316)
Dividend expense	(20,235)	(30,352)	(40,305)	(60,457)
Foreign exchange loss	(235,943)	(66,048)	(168,916)	(122,135)
Stock option expense	(3,835)	(50,000)	(9,075)	(75,895)
Net (loss) income for the period	\$ (231,242)	\$ 195,098	\$ (78,537)	\$ 255,025
Basic and diluted loss per share	\$ (0.01)	\$ 0.00	\$ (0.00)	\$ 0.01
Weighted average number of shares outstanding				
Basic	39,692,379	39,534,201	39,690,214	39,517,152
Diluted	39,692,379	43,335,232	39,690,214	41,675,429

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Selected Cash Flow Information

(unaudited, stated in Canadian dollars)

	Three Months ended		YTD - Six Months	
	May 31, 2007	May 31, 2006	May 31, 2007	May 31, 2006
Cash (used in) provided by operating activities	\$ (96,512)	\$ 254,589	\$ (150,083)	\$ 597,618
Cash used in investing activities	(111,975)	(141,383)	(673,832)	(150,516)
Cash provided by financing activities	68,400	74,003	666,915	54,669
Net (decrease) increase in cash during the period	(140,087)	187,209	(157,000)	501,771

Selected Balance Sheet Information

(unaudited, stated in Canadian dollars)

	May 31, 2007	November 30, 2006
Cash and cash equivalents	\$ 1,936,985	\$ 2,093,985
Accounts receivable	1,653,499	1,831,410
Prepaid expenses and other assets	400,518	479,591
Total current assets	3,991,002	4,404,986
Other assets	957,944	441,147
Total assets	\$ 4,948,946	\$ 4,846,133
Accounts payable and accrued liabilities	\$ 510,146	\$ 702,243
Current portion of deferred revenue	2,884,105	3,201,319
Current portion of repayable contribution	50,488	88,835
Current portion of capital leases	106,307	43,379
Current portion of term debt	60,000	-
Current redeemable portion of preferred shares	575,000	575,000
Other	13,964	18,333
Total current liabilities	4,200,010	4,629,109
Capital leases	238,302	70,628
Term debt	225,000	-
Lease inducement	145,320	-
Class A Preferred shares, Series 1	538,142	520,482
Total liabilities	5,346,774	5,220,219
Total shareholders' equity	(397,828)	(374,086)
Liabilities and shareholders' equity	\$ 4,948,946	\$ 4,846,133

Angoss Software empowers people to make "Better Business Decisions. Every Day."TM

Some of the world's leading financial services, telecom, life sciences, and retail organizations use Angoss predictive analytics software and services to grow revenues, while reducing risk and cost. Angoss helps our clients utilize business data to **discover** the key drivers of behavior, **predict** future trends and events, and **act** with confidence when making business decisions.

Angoss combines powerful market proven software with focused industry services expertise in the deployment, integration and use of predictive analytics in enterprise environments. Our differentiators include broad user acceptance, a commitment to open standards, rich functionality, rapid deployment, exceptional ease-of-use and affordability.

Headquartered in Toronto Canada, Angoss has offices in the UK and Australia and partners with the world's leading enterprise software and services vendors. For more information, visit www.angoss.com.

This press release contains statements of a forward-looking nature. These statements are made under the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. The accuracy of these statements may be impacted by a number of business risks and uncertainties that could cause actual results to differ materially from those projected or anticipated, including: the risk that the sale of our products and services involves a long sales cycle; the risk that the economic environment and business conditions will remain difficult to predict; the risk of competition in our target markets; the risk that we may not respond adequately to evolving technologies; the risk that we or our customers may have difficulties in introducing our products or services; the risk that we will encounter difficulties in continuing to offer services; the risk that we will encounter difficulties in integrating the operations of acquired companies with our own; the risks of conducting our operations in a variety of international locations; the risk that we may need to record future write-downs of assets arising from our investments in other companies; the risks relating to the costs that we may incur as a result of litigation against us; and other risks described in our filings with securities regulatory authorities, including our annual reports, interim financial statements and similar disclosure documents. ANGOSS Software does not undertake any obligation to update this forward-looking information after the date of its initial publication, except as required under applicable law.

Note: The Toronto Venture Exchange has neither approved nor disapproved the above information.

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