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Contact:
Alim Khan
Director-Marketing
416-593-2412
akhan@angoss.com

ANGOSS REPORTS REVENUE AND PROFIT GROWTH IN THIRD QUARTER

Toronto, Canada – October 2, 2007

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

During the third quarter, revenues of \$1,965,009 were up 19% from 2006 results (\$1,652,517). For the nine months ended August 31, 2007 revenues of \$5,449,645 were up 9% over 2006 results (\$4,998,295). The Company's billed revenues in the quarter were approximately \$2.26 million, an increase of 126% over prior year third quarter billed revenues of approximately \$1.0 million. In year to date results, billed revenues were \$5.4 million, up 21% from prior year billed revenues of \$4.5 million.

Third quarter operating profit of \$364,633 was up 145% over prior year third quarter operating profit of \$148,821. Net income was \$162,191 compared with third quarter 2006 net income of \$2,540. In year to date results operating income and net income were \$642,893 (2006: \$605,152) and \$83,654 (2006: \$257,565), respectively.

Third quarter operating expenses of \$1,600,376 were up 6% from the third quarter of 2006 (\$1,503,696). For the year to date operating expenses were \$4,806,752, up 9% from 2006 year to date expenses of \$4,393,447.

The Company continues to focus on expanding its predictive analytics solutions offerings for existing and new clients in the financial services and information and communications technology industries. The Company provides predictive analytics solutions for these clients using both software licensing and on demand subscription delivery models.

Billed revenues are cyclical, reflecting implementation timing and stages for Angoss on demand client solutions, and knowledge transfer services associated with licensed technology sales. The Company expects fluctuations in quarterly billed revenues will continue while the Company expands its opportunity pipeline and backlog of signed contracts for future period deliveries of both subscription service offerings and implementation services and knowledge transfer associated with software sales.

Revenue growth resulted from expanded deployments of the Angoss KnowledgeSEEKER[®], KnowledgeSTUDIO[®] and StrategyBUILDER[™] predictive analytics software for financial services marketing and credit risk management applications, expanded mutual fund industry sales of the Angoss FundGUARD[™] on demand marketing, sales targeting and predictive leads system with existing and new mutual fund customers, and initial implementation services for the follow on phase for its ClaimGUARD[™] fraud and abuse detection subscription solution with a leading North American benefits insurance provider. During the quarter the Company also expanded its Telecom Marketing Analytics[™] solution implementation with a leading North American telecommunications service provider, and signed an initial proof of concept for its on demand predictive analytics offering with one of the world's leading wireless appliance manufacturers.

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“Our proven ability to deliver more powerful, more usable and more affordable predictive analytics software systems than traditional statistical tools vendors, combined with our ability to deliver sophisticated predictive analytics solutions via on demand subscriptions for organizations looking to achieve business results faster without the cost and complexity of traditional tools based approaches, are combining to create interesting business growth opportunities” commented Angoss President Eric Apps.

Year to date changes in the mix of operating expenses reflect higher billed revenue growth, expanded sales and marketing investments for demand generation, and shifting of personnel formerly engaged in research and development to client facing roles primarily supporting the Company’s on demand subscriptions based business. Operating expenses were also impacted by 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 investments in data center infrastructure to support the Company’s on demand subscription based business. These investments should support higher revenue growth and improved operating margins on both packaged software sales and for the delivery of Angoss on demand analytics solutions as the Company’s business base expands.

Operating income growth has been positively impacted by revenue growth, partially offset by increased sales and marketing expenses. Lower net income resulted from primarily increased amortization expense for capital assets and foreign exchange impacts associated with the decline in value of the US Dollar. The continuing relative decline of the US Dollar is currently expected to continue to impact on revenues through the balance of 2007 and into 2008.

Third Quarter Highlights

Financial Services Market Leaders Choose KnowledgeSEEKER[®], KnowledgeSTUDIO[®] and StrategyBUILDER[™]. During the third quarter the Company continued to focus on the finance and information and communications technology industries with analytics teams within Bank of America, MBNA Europe, Barclays, Bharti AXA Life, ABN Amro, Deutsche Bank India, Dun & Bradstreet, JP Morgan Chase, eBay Paypal, Sears Roebuck, State Farm Bank, Washington Mutual, Target Financial Services and HSBC Hong Kong. During the third quarter the Company also expanded its opportunity funnel in India with both local market affiliates of global financial services organizations, India based financial services organizations, and analytics business process outsourcing organizations serving global markets from India.

Beta Release of KnowledgeSEEKER[®], KnowledgeSTUDIO[®] and StrategyBUILDER[™] 6.0. During the third quarter, the Company released to beta distribution the newest version of the Angoss data mining and predictive analytics suite, incorporating new data preparation, scorecard creation and strategy design capabilities. These new features help financial services organizations get from “Analytics to Action[™]” without the cost, complexity and bottlenecks of traditional SAS based and manually intensive analytics and deployment processes. Version 6.0 also enables significantly larger data volumes to be processed with “best in class” performance benchmarks for every stage of the data mining and predictive modeling lifecycle.

Angoss Expands FundGUARD[™] Customer Base and Solution Capabilities. The Angoss FundGUARD[™] solution continues to drive significant value for Angoss customers, with assets under management (“aum”) of adopting clients continuing to grow. FundGUARD[™] uses advanced analytics to drive territory coverage planning and growth in aum while reducing redemption risk. Additional client signings during the third 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 expects to bring a new version of the FundGUARD[™] on demand solution to market in tandem with its KnowledgeSEEKER[®] for Salesforce.com initiative with additional breadth of marketing and sales analytics capabilities for mutual fund organizations in 2008.

Results Summary

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

ANGOSS Software Corporation

Income Statement Information

(unaudited, stated in Canadian dollars)

	Three Months ended		YTD - Nine Months	
	August 31, 2007	August 31, 2006	August 31, 2007	August 31, 2006
Revenues	\$ 1,965,009	\$ 1,652,517	\$ 5,449,645	\$ 4,998,295
Operating Expenses				
General and administration	363,577	374,687	1,203,392	1,186,599
Sales and marketing	1,054,609	801,360	2,960,695	2,312,214
Research and development, net	182,190	327,649	642,665	894,330
	1,600,376	1,503,696	4,806,752	4,393,143
Income before the following	364,633	148,821	642,893	605,152
Other income	-	-	36,194	156,292
Amortization of capital assets	(92,945)	(61,877)	(241,404)	(124,672)
Amortization of deferred charges	(17,345)	(22,779)	(43,581)	(59,095)
Dividend expense	(20,235)	(30,353)	(60,540)	(90,810)
Foreign exchange (loss) gain	(66,049)	8,728	(234,965)	(113,407)
Stock option expense	(5,868)	(40,000)	(14,943)	(115,895)
Net income for the period	\$ 162,191	\$ 2,540	\$ 83,654	\$ 257,565
Basic and diluted loss per share	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.01
Weighted average number of shares outstanding				
Basic	40,040,768	39,576,522	39,807,919	39,551,296
Diluted	40,481,033	40,703,361	40,635,957	41,636,522

Selected Cash Flow Information

(unaudited, stated in Canadian dollars)

	Three Months ended		YTD - Nine Months	
	August 31, 2007	August 31, 2006	August 31, 2007	August 31, 2006
Cash (used in) provided by operating activities	\$ 721,697	\$ 170,454	\$ 571,614	\$ 768,072
Cash used in investing activities	(102,978)	(88,972)	(776,810)	(239,488)
Cash provided by financing activities	(55,884)	49,352	611,031	104,021
Net (decrease) increase in cash during the period	562,835	130,834	405,835	632,605

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Selected Balance Sheet Information (unaudited, stated in Canadian dollars)	August 31, 2007	November 30, 2006
Cash and cash equivalents	\$ 2,499,820	\$ 2,093,985
Accounts receivable	1,624,529	1,831,410
Prepaid expenses and other assets	415,779	479,591
Total current assets	4,540,128	4,404,986
Other assets	963,689	441,147
Total assets	\$ 5,503,817	\$ 4,846,133
Accounts payable and accrued liabilities	\$ 615,562	\$ 702,243
Current portion of deferred revenue	3,206,435	3,201,319
Current portion of repayable contribution	32,013	88,835
Current portion of capital leases	106,307	43,379
Current portion of term debt	60,000	-
Current redeemable portion of preferred shares [note 5]	575,000	575,000
Other	14,074	18,333
Total current liabilities	4,609,391	4,629,109
Capital leases	212,893	70,628
Term debt	210,000	-
Lease inducement	147,103	-
Class A Preferred shares, Series 1	551,199	520,482
Total liabilities	5,730,586	5,220,219
Total shareholders' equity	(226,769)	(374,086)
Liabilities and shareholders' equity	\$ 5,503,817	\$ 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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