

Press Release

For immediate release

Cranes Software acquires analytical business solutions provider, Analytix Systems

Acquisition to provide access to IPs in the high growth enterprise analytics segment

Bangalore, May 05, 2006: Cranes Software International Ltd., a global scientific and engineering software solutions provider, has announced the acquisition of the Bangalore-based analytical business solutions provider, Analytix Systems. The acquisition is in line with Cranes' objective to strengthen presence in the high potential domain of embedded decision support intelligence, supporting better managerial decisions. Cranes already has a presence in the business analytics solutions space and the acquisition of Analytix Systems is expected to expand and strengthen its core offering.

Emphasising this point, Asif Khader, Managing Director, Cranes Software International said, *"The acquisition of Analytix Systems significantly advances our presence in the high growth area of embedded analytics. Analytix Systems' technological capabilities and established IP portfolio is expected to complement Cranes' existing portfolio of software and business solutions. By leveraging our global sales and distribution network, we will expand our presence in the analytical business solutions space, opening up another significant market for ourselves."*

Details of the acquisition

Established in 1998, Analytix Systems has extensive capabilities in the domains of mobile solutions, analysis and data mining. The company has strengths in research, development and design of software products, solutions and services in the areas of identity deduping, fraud and risk management, mobile field data capture, mobile workflow automation, data storage and analytics. Analytix Systems has also created tools for search and analysis of stored data.

Cranes will pay a total of about USD 2.5 million of which approximately 11.5% in cash and the balance in equity shares, to be issued over a period of two years, and will continue to invest in technology upgrades, expansion of market reach and building global client relationships following the acquisition. Analytix Systems holds intellectual property rights to the following software products:

- XiP/XiD, a simple to use software tool enabling powerful search and dedupe in identity databases,
- EZPoll, a comprehensive zero programming mobile handheld-based paperless survey management solution.

Analytix Systems's current client portfolio includes leading corporates in Auto, Banking and Media domains.

Acquisition rationale

Cranes owns a suite of technical software products that includes SYSTAT, Sigma Product Line and NISA which, by virtue of their depth and versatility, can be used to provide analytical solutions and services to global businesses. On a standalone basis, companies may not have the in-house expertise to use these software but could derive benefit from a total solutions offering combining the business intelligence capabilities of the Analytix Systems software range.

The proposed acquisition will enable Cranes leverage the extensive reach of its global sales and distribution network in 39 countries, to provide solutions to clients and expand its revenue streams. Cranes' objective is to target key customer segments with its enhanced business intelligence offering following the acquisition of Analytix Systems. These include credit card companies, health care centers, insurance companies, banks in the US markets, apart from focusing on high potential segments within some key geographies globally.

Cranes has leveraged upon some strategic acquisitions made over the last five years to deliver strong growth across its business. The company's 'acquire, enhance, expand' strategy has been the key to its success in creating a niche position for itself in the scientific and engineering software space. The Cranes management believes that the specific areas addressed by Analytix Solutions – real time decision support – is the future of intelligent decision support enabled work flow automation.

Existing analytics capabilities

Cranes has recently entered the consulting space whereby its management expects to derive significant strategic value by leveraging established strengths to deliver consulting/solution based services within its focus domains. Cranes offers its customers a wide range of solution offerings including analytics. The enterprise analytics practice has a team domain and information technology specialists who address the BFSI (Banking Financial Services and Insurance), Retail, Manufacturing, Logistics, Pharma & Healthcare and Media domains. The practice has adopted a unique and innovative Analytics Center of Excellence (ACE) delivery model which combines the flexibility and cost-efficiency of offshore delivery with the concept of absolute technology abstraction of the client's software tools.

Cranes had previously forged another alliance with Equibits LLC, through which Cranes' statistical software package SYSTAT and Equibits' Foresight, a predictive intelligence and analytics software, have combined to enable deeper penetration in the data mining space. Target audiences include researchers in the areas of genomics, computational chemistry, image analysis, market analysis and fraud detection. The integrated module is being marketed to SYSTAT's global users and other prospects.

For further information, please contact:

Akila Lean

Cranes Software International Limited

Tel.: +91 80 520 1604 / 5 / 6

Fax: +91 80 520 1626

E-mail: akila@cranessoftware.com

Shiv Muttoo

Citigate Dewe Rogerson

Tel: +91 22 4007 5036

Fax: +91 22 2284 4561

E-mail: shiv@cdr-india.com

About Cranes Software International Limited

Cranes Software is a global scientific & engineering products and solutions provider. The Company's business interests straddle products, services, RD in future technologies, training and high-end consultancy for engineers and scientist worldwide. Focused on the scientific and engineering community, Cranes Software has addressed the needs of a variety of customer groups ranging from large multinational companies to government, defence, educational and research institutions for over a decade.

Today, Cranes Software has its presence in 33 countries across the world and has a user base of more than 360,000. Cranes Software also offers world-renowned solutions from reputed principals such as The Mathworks, Texas Instruments, IBM through product alliances. With a mission statement to provide its customers the best in scientific technology and to enable its customers to define new limits, Cranes Software is setting new standards in the scientific and engineering field.

For further information on the company, please visit www.cranessoftware.com

Certain statements in this release concerning our growth prospects are forward-looking statements. These forward-looking statements are subject to certain risks and uncertainties, including government actions; local political or economic developments; technological risks; risks inherent in the Company's growth strategy; dependence on certain clients; dependence on availability of technical consultants and other factors that could cause our actual results to differ materially from those contemplated by the relevant forward looking statements. The Company undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.