



For immediate release

**PRESS RELEASE**

**Cranes Software's Q1FY 2006 consolidated revenues higher by  
30.92%**

***Net Profit higher by 33.52% at Rs. 129.6 million***

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Note to the announcement:

This press release discusses the financial performance of Cranes Software International Limited on a consolidated basis. This includes the performance of its fully owned subsidiaries Systat Software Inc., USA; Systat Software Inc.'s subsidiary Systat Software UK Limited; Systat Software GmbH, Germany; Cranes Software International Pte. Ltd, Singapore; EMRC Engineering Mechanics Research (India) Pvt. Ltd. and Systat Software Asia Pacific Ltd.

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**Bangalore, July 28, 2005:** Cranes Software International Ltd. (Cranes Software), a global scientific and engineering software solutions provider, today announced its audited results for the quarter ended July 28, 2005.

Commenting on the performance, **Asif Khader, Managing Director, Cranes Software International Limited** said:

*“Cranes Software delivered another sterling performance in the quarter under review, with strong growth in revenues and profitability. Our business is now creating multi-dimensional opportunities, which have contributed to steady business and operational expansion across the world. In the U.S., the large base of existing users of our software products suite provides the opportunity to sell multiple software upgrades and vertical modules to a captive audience. In Europe, our expanded sales team has delivered growth by targeting specific user segments for our technical software and aligning with focal co-ordinating bodies in the academic sector. In India, we have recently initiated sales of our proprietary products to the corporate sector and research institutions. Overall, the pipeline is robust and we expect to deliver ongoing growth over the coming quarter”.*

**Cranes Software Group performance review:**

Corresponding quarter performance review:

Q1 FY 2006 (April - June 2005) v/s Q1 FY 2005 (April - June 2004)

- Operating revenues grow 30.92% to Rs. 471.50 million compared to Rs.360.2 million.
- Operating profit increased 67.42% at Rs. 284.4 million from Rs. 169.9 million.
- Net profit after tax higher by 33.52% to Rs. 129.6 million from Rs. 97.1 million.

**Cranes Software stand-alone performance review:**

Corresponding quarter performance review:

Q1 FY 2006 (April - June 2005) v/s Q1 FY 2005 (April - June 2004)

- Operating revenues expanded by 41.82% to Rs. 395.4 million compared to Rs. 278.8 million.
- Operating profit was up 80.42% at Rs. 270million from Rs. 149.7million.
- Net profit after tax higher by 47.22% to Rs. 128.6 million from Rs. 87.4million.

**Key corporate highlights during Q1 FY2006:**

- **Acquisition of EMRC**

Cranes Software announced acquisition of Engineering Mechanics Research Corporation (EMRC) in India with its customers, brand names, trademarks, ongoing contracts, personnel and fixed assets. EMRC is the developer of NISA suite of products and a pioneer in the field of Computer Aided Engineering(CAE). The Company provides consulting services and customised software in this domain. The consideration for this acquisition is part of a deal of US \$ 1.5 million including the US arm of the EMRC operation, currently waiting some statutory clearances in US

The acquisition will immediately give access to Cranes Software to diversify into an expanded market in the scientific and engineering software specifically in the Engineering Services domain. It provides comprehensive CAE-related capabilities through a high quality products suite, many years of product experience and extensive global usage backed by a worldwide sales and support organization.

The acquisition is in line with the Company's strategy of purchasing undervalued assets that provide substantial growth potential by leveraging existing strengths and capabilities. In addition to statistics and data visualization, the Company's portfolio now also addresses the mechanical, civil, automobile, aerospace and

electrical engineering markets, thus extending the range of software that it takes to scientists and engineers globally.

- **Systat Software Inc. and Cytel Software forge Strategic Alliance**

As yet another product development initiative, the Company is in the process of working on Strategic Alliance partnerships with several leading global companies. Last quarter, Cranes' subsidiary, Systat Software Inc., forged strategic partnership with Cytel Software Corporation, a leading provider of statistical software and services for optimized clinical trial design and analysis. Systat will license the components of Cytel's award winning StatXact software to create a new module for SYSTAT specializing in exact statistical tests. The integrated module will be marketed under the SYSTAT brand and distributed by Systat in 2006

- **Ongoing product version launches in India through alliances**

During the quarter, Cranes Software, along with The MathWorks Inc., announced the availability of SimPowerSystems 4 in India. SimPowerSystems 4, which enables engineers in a host of industries to use Model Based Design to model and simulate electrical circuits and power systems within Simulink®. In the same quarter under review, Cranes Software along with dSPACE GmbH. launched dSPACE RapidPro in India. dSPACE RapidPro is a hardware product embedded with dSPACE software which helps in configuring signal conditioning and power stage circuits that can be used in the automotive sector and the test laboratories

The new versions are available for Indian users through Cranes Software's nationwide product distribution network.

- **Cranes Software relocates Registered Office**

The registered offices of Cranes Software International Ltd. and its 100 % subsidiaries Systat Software Asia Pacific Ltd. and EMRC Engineering Mechanics Research India.Ltd. was relocated to **4th Floor, Block 1, Shankar Narayana Building, # 25, M.G Road, Bangalore**. The new office will help consolidate Cranes Software's corporate operations into one centralized location and increase the development center work place by over 50 percent.

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**For further information, please contact:**

Akila Lean  
Cranes Software International Limited  
Tel: +91 80 5112 0000  
Fax: +91 80 51231274  
E-mail: akila@cranessoftware.com

Shiv Muttoo  
Citigate Dewe Rogerson  
Tel: +91 22 2284 2728  
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, R&D 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 MNCs to the US armed force for over a decade.

Today, Cranes Software has its presence in 38 countries across the world and has a customer base of more than 350,000. Cranes Software also offers world-renowned solutions from reputed principals such as The MathWorks, Mentor Graphics, Texas Instruments, IBM and Lanner 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, its products and services please log on to [www.cranessoftware.com](http://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.*