

**For immediate release**

**PRESS RELEASE**

**Cranes Software's consolidated Q2 operating revenues higher by 31%**

*Net Profit higher by 66% at Rs. 136.6 million*

*EPS up by 66% at Rs. 13.4 per share*

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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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**Mumbai, October 27, 2005:** Cranes Software International Ltd. (Cranes Software), a global scientific and engineering software solutions provider, today announced its audited results for the quarter ended September 30, 2005.

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

*"I am pleased to report another strong set of numbers in the second quarter and first half of the current fiscal year. While our business continued to expand on the basis of our operational initiatives, we are beginning to drive organizational efficiencies to create further margin upsides.*

*We see the expansion in our ongoing financial performance as a reflection of our key strategic initiatives that we take on board. We are now looking at developing the next level of opportunity for our business by expanding presence in the enterprise software segment. Significant gains can now be achieved by continuous enhancements to the portfolio by leveraging existing strengths in product development and global marketing."*

**Cranes Software Group performance review:**

Corresponding quarter performance:

Q2 FY 2006 (July – September 2005) v/s Q2 FY 2005 (July – September 2004)

Cranes Software International Limited:  
Financial results for quarter ended September 30, 2005

- Operating revenues up by 31% to Rs. 477.1 million compared to Rs. 363.9 million.
- Net profit after tax higher by 66% to Rs. 136.6 million from Rs. 82.3 million.
- EPS up at Rs. 13.4 compared to Rs. 8.09

Half yearly review:

H1 FY 2006 (April – September 2005) v/s H1 FY 2005 (April – September 2004)

- Operating revenues higher by 31% to Rs. 948.6 million compared to Rs. 724.1 million.
- Net profit after tax up by 48% to Rs. 266.2 million from Rs. 179.3 million.
- EPS up at Rs. 26.19 compared to Rs. 17.64.

**Key corporate highlights:**

- HR headcount up by 100 people to 454 in the first six months of FY2006:
  - Significant expansion of the global sales and marketing team in H1 through new recruitment in the U.S., Germany and Asia Pacific.
  - Key additions to R&D teams focused on statistical analysis, engineering design and wireless domains.
  - Continuous increase in consulting team following initiation of operations a year back.

- Cranes Software acquires the worldwide marketing & sales rights of InventXePM

Cranes announced that it has acquired the sales and marketing rights of InventX<sup>TM</sup>ePM, a Project Portfolio Management Solution. Cranes will make substantial investments and commit resources to maximize the growth potential from InventX<sup>TM</sup>ePM. The support will also extend to customized solutions around the product framework for current and future customers worldwide.

Cranes Software will provide product development and implementation support for InventX<sup>TM</sup>ePM Enterprise Project Portfolio Management solution through a dedicated offshore development center. The Company plans to invest \$3 to \$4 million over the course of the year and employ 50 to 60 people towards this effort.

- Cranes Software Licenses Equibits Predictive Modeling Framework

Cranes announced a strategic alliance between its wholly owned subsidiary Systat Software, Inc. and Equibits LLC, the leading provider of SVM (Support Vector Machines) based predictive modeling software. The partnership will allow

SYSTAT customers to take advantage of Equibits SVM modeling capabilities, including model building and tuning and enhanced enterprise level integration between the Company's products. The integrated module will be marketed under the SYSTAT brand which has over 65,000 users globally.

- Cranes Software launches Japanese language version of SYSTAT 11

Cranes introduced the Japanese language version of its statistical analysis software SYSTAT 11. This new language version will now reach users in Japan with a local language graphic user interface, online helpdesk support and translated technical manuals. This is the second localized software launch by Cranes in Japan, following the previous release of the SYSTAT 10.2 in Japanese.

- Cranes Software brings interoperability solutions to Indian embedded software industry

During this quarter the Company partnered with Mapusoft Technologies, a US based leading provider of embedded software re-usability solutions and services, Through this partnership Cranes has announced the availability of a range of globally renowned porting products and abstraction solutions focused on the Indian embedded software industry. These solutions provide users the freedom to move between RTOS's while leveraging on the application programming interface knowledge that they are most familiar with. Cranes will be the authorized distributor for MapuSoft products in India, making available OSChanger™ and OS Abtractor to the embedded industry.

- Introduction of new software upgrades and versions in India

During the quarter, Cranes continued to introduce new versions / updates of its software products in the Indian market.

- Cranes and The MathWorks launched the Aerospace Blockset 2 in India, bringing quality flight simulation graphics to desktop users. The tool makes modeling and simulation more accessible and economical to the aerospace engineering community in India.

- Cranes and The MathWorks also announced the availability of Communications Blockset 3 for Indian users. This would provide engineers enhanced features for the design and simulation of the physical layer of communication systems and components, such as commercial or defense wireless and wireline systems.

-- Ends --

Cranes Software International Limited:  
Financial results for quarter ended September 30, 2005

***Attached: Results table***

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**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 39 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, 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](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.*