



For immediate release

Cranes Software's Q3 FY08 consolidated revenues up 47% PAT higher by 39%

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 Asia Pacific Ltd., Systat Software Inc., USA, Systat Software GmbH, Germany, EMRC Engineering Mechanics Research (India) Ltd., (until September 30, 2007), Cranes Software Inc, USA, Analytix Systems Pvt. Ltd., Tilak Autotech Pvt. Ltd., Caravel Info Systems Pvt. Ltd., Proland Software Pvt. Ltd., Cranes Software UK Limited (subsidiary of Systat Software Inc., USA), Dunn Solutions Group Inc., USA and Engineering Technology Associates Inc., USA (including its subsidiary in China), subsidiaries of Cranes Software Inc., USA.

Bangalore, January 31st 2008: Cranes Software International Ltd. (CSIL), a Company that provides Enterprise Statistical Analytics and Engineering Simulations software products and solutions across the globe, today announced its un-audited results for the third quarter ended 31st December, 2007.

On the occasion of the third quarter results announcement, **Asif Khader, Managing Director, Cranes Software International Limited**, said: *"Cranes delivered another strong quarter with higher revenues and profits that expanded by 47% and 39% (y-o-y) respectively. We continue to witness robust demand for our software products and remain focused in our endeavour to maximize gains from productivity and business efficiency. Going forward, we are confident of delivering stronger financials given our unique business model and inherent operating efficiencies. Also the industry that we operate in is growing at a tremendous pace and the business of analyzing astronomical amounts of data that we offer is increasingly becoming inevitable for other businesses to adopt in order to minimize uncertainty while maximizing profits. Meanwhile, the strategic acquisition of Engineering Technology Associates will give us access to the lucrative Asian markets as well as help us expand distribution for our flagship NISA suite of FEA products."*



Cranes third quarter performance review:

Corresponding quarter comparison:

Q3 FY08 (October – December 2007) v/s Q3 FY07 (October – December 2006)

- Total income increased by 47% from Rs. 717.55 million to Rs. 1051.36 million in the current quarter.
 - Overseas revenues were up 55% at Rs. 863.90 million and constitute 82% of total revenues.
 - Domestic revenues rose 10% from Rs. 158.93 million to Rs. 174.48 million in the current quarter.
- Operating profit improved by 41% to Rs. 577.64 million compared to Rs. 410.00 million in the previous corresponding quarter. Operating margin was at 55% during the quarter.
- Net profit after tax grew by 39% to Rs. 313.76 million translating into diluted EPS of Rs. 2.44 as against Rs. 1.82 reported during the same period last year.

Sequential quarter comparison:

Q3 FY08 (October - December 2007) v/s Q2 FY08 (July – September 2007)

- Total Revenues increased 15% from Rs. 917.27 million to Rs. 1051.36 million.
 - Overseas revenues expanded by 16% q-o-q from Rs. 746.35 million to Rs. 863.90 million
 - Domestic revenues increased by 9%, from Rs. 159.68 million in the previous sequential quarter to Rs.174.48 million.
- Operating profit increased by 14% from Rs. 507.13 million. Operating margins remained stable at 55% in the current quarter compared to Q2 FY08.
- Net profit after tax (prior to adjustments) was up 15% from Rs. 272.70 million. Accordingly, diluted EPS increased from Rs. 2.14 in Q2 FY08 to Rs. 2.44 in the quarter under review.

Business-wise Revenue Analysis



(Rs. Million)	Q3 FY08	Q2 FY08	Q3 FY07
Proprietary Products	864	762	543
Product Alliances	132	121	135
Training	42	23	40

Proprietary products grew by 13% and 59% on a sequential and corresponding basis respectively. We expect this segment to grow at a healthy pace and constitute majority of total revenues.

Strengthen presence in the Engineering Simulations domain – diversifying offerings to automotive manufacturers

During the quarter, Cranes acquired Engineering Technology Associates, a tier one vendor to the top three US car manufacturers.

- With this acquisition, the Company has strengthened its foray into the Chinese Auto market.
- The Company will have access to the established Chinese design centre and can leverage its core design testing, virtual simulation and product design skills across a broader range of engineering needs.
- This acquisition will also enable Cranes to expand distribution of its flagship NISA suite of FEA products.

Attached: Results table

About Cranes Software International Limited: www.cranessoftware.com

Cranes Software International Limited is a company that provides Enterprise Statistical Analytics and Engineering Simulation Software Products and Solutions across the globe. The Company's business interests span Products, Productised Solutions, Services and R & D in future technologies.

Today, Cranes Software has its presence in 39 countries across the world and has a 350,000 strong global user base. Cranes Software offers a range of proprietary products - SYSTAT, SigmaPlot, SigmaStat, SigmaScan, TableCurve 2D, TableCurve 3D, PeakFit, NISA, XID, XIP, Survey ASYST, iCapella, InventX and world-renowned products from reputed principals such as Engineering Technology Associates, Livermore Software Technology Corporation, The Mathworks, Texas Instruments and IBM.

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.

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