



For immediate release

Cranes Software's Q3FY2007 consolidated revenues up 36%, PAT higher by 46%

9MFY2007 revenues and PAT increase by 35% and 49% respectively

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; Cranes Software Inc, USA; Systat Software GmbH, Germany; Cranes Software International Pte. Ltd, Singapore; EMRC Engineering Mechanics Research (India) Pvt. Ltd., Systat Software Asia Pacific Ltd. and Analytix Systems Pvt. Ltd. as also Cranes Software UK Limited subsidiary of Systat Software Inc.

Bangalore, January 31, 2007: Cranes Software International Ltd. (CSIL), a global scientific and engineering software products and solutions provider, today announced its un-audited results for the nine months and third quarter ended December 31, 2006.

On the occasion of the third quarter results announcement, **Asif Khader, Managing Director, Cranes Software International Limited**, said: *“During the third quarter we remained in high expansion mode, expanding our sales and marketing infrastructure as well as making investments in R&D capabilities to launch new upgrades, particularly of our products catering to the Engineering and Scientific domain. These products supplied to Fortune 500 multinationals, defence research establishments and corporates in the life sciences industry contributed to significant revenue growth. We were also able to expand our net profit margins following efforts to improve our debt mix and reduced tax incidence having received software export house status.”*

Cranes third quarter performance review:

Corresponding quarter comparison:

Q3FY2007 (October – December 2006) v/s Q3 FY 2006 (October – December 2005)

- Operating revenues increased by 36% to Rs. 717.6 million compared to Rs. 529.1 million. .
- Operating profit improved by 27% at Rs. 410.0 million compared to Rs. 324.1 million.

- Net profit after tax grew by 46% to Rs. 225.0 million translating into diluted EPS of Rs. 1.82 as against Rs. 1.37 reported last year. .

Year-to-date review:

9MFY 2007 (April – December 2006) v/s 9MFY 2006 (April – December 2005)

- Operating revenues increased by 35% to Rs. 2,020.9 million compared to Rs. 1,499.2 million.
- Other income was negative on account of foreign exchange loss resulting from rupee's appreciation against the dollar.
- Operating profit improved by 22% at Rs. 1,113.6 million compared to Rs. 915.3 million.
- Personnel costs and general & administrative expenses have increased significantly as the current year results included the costs in operations of the newer business units acquired and established last year. These newer units are currently in an investment phase. The Company also continued to develop its overall operating framework to achieve larger scale and increase reach.
- Net profit after tax grew by 49% to Rs. 625.7 million from Rs. 420.7 million. EPS for the nine months stood at Rs. 5.17 up from Rs. 4.00 in the corresponding period last year.

Key corporate highlights for Q3FY2007:

- Launch of InventX SP²M 4.0:

In December 2006, Cranes Software launched a new version of its enterprise product InventX SP²M 4.0 (Strategic Project Portfolio Management). The product was launched at the PMI Global Congress in Seattle, Washington and the PDMA International Conference held in Atlanta, USA.

The latest version offers end-to-end business planning right from the strategic decisions to operations. Equipped with a multi-site project management and product development support environment, it can assist middle level management in providing regular reporting and status updates.

- UK Trade & Investment's New Market Entrant award

Cranes Software won the UK Trade and Investment award for the New Market Entrant of the Year. Cranes' Chairman Dr. Rudra Pratap accepted the award on behalf of the Company from Mr. Mike Connor, UK's Deputy High Commissioner (South India) at a ceremony held at the Cranes offices in Bangalore. These awards are given by UK Trade and Investment to commemorate outstanding entrepreneurial achievement and growing trade links between UK and India.

Attached: Results table

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About Cranes Software International Limited

Cranes Software is a Global Scientific & Engineering Software Products and Solutions Company. The Company's business interests span Products, Solutions, Services and R & D in future technologies. Cranes Software addresses the Scientific & Engineering software related needs of large multinational companies, governments, defense establishments, educational and research institutions.

Today, Cranes Software has its presence in 38 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, AnalytiX, iCapella, Alerts, InventX, NISA, and world-renowned products from reputed principals such as The Mathworks, Texas Instruments and IBM.

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 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.

Authorized Signatory

H. Shankar

Exec. VP & Chief Financial Officer

Cranes Software International Limited