



Contact:

Trish MacPherson

Director of Marketing

416-593-2403

tmacpherson@angoss.com

**BUSINESS TRANSITION; HIGHER VALUE SOLUTION SALES
GENERATE STRONG Q4 AND 34% YEAR OVER YEAR REVENUE GROWTH.
ANGOSS REPORTS IN FOURTH QUARTER AND FISCAL 2004 RESULTS**

Toronto, Canada – February 1, 2005

Angoss Software Corporation (Angoss) (TSX-V: ANC) today announced unaudited results for the fourth quarter and the fiscal year ending November 30, 2004. Revenue for the quarter was \$1,661,843, an increase of 102% over the corresponding period of the year before.

Revenue for the twelve months of the fiscal year was \$6,073,494, an increase of 34% over the revenue of the twelve months of the prior year.

In addition to achieving revenue growth the Company added significantly to its signed contract pipeline during the fourth quarter.

Fourth quarter operating profit and net income resulted in substantially improved operating profitability and a reduced net loss for the 2004 fiscal year compared with fiscal 2003 results.

The fourth quarter produced an operating profit of \$149,287, in contrast to an operating loss of \$388,476 incurred during the corresponding period the year before. Net income for the quarter was \$55,104, as opposed to a net loss of \$341,112 during the fourth quarter of the prior year.

For the full year the Company's operating loss narrowed to \$47,979 (2003: operating loss of \$353,538). The Company's net loss for the year was \$512,087 compared with a 2003 net loss of \$568,776. Excluding previously disclosed special charges and cash and non-cash expenses related to the fourth quarter 2003 preferred share financing, the comparable amounts would be a 2004 net loss of \$108,780 versus a 2003 net loss of \$558,837.

The Company previously announced during 2004 its planned transition from sales of desktop data mining tools to delivering higher value solutions combining predictive analytics software systems geared to enterprise environments and related implementation services.

"During the fourth quarter both revenue and operating performance improved, and we continued to progress against objectives outlined earlier in the year," commented Angoss President Eric Apps. "We are delivering specific business solutions that address targeted business challenges and deliver clearly identifiable business value to our clients in financial services, communications and life sciences. We are combining our market proven predictive analytics software with a broadened set of capability from an expanding expert services organization and we expect this pattern to continue during 2005."

Fourth Quarter Highlights

Angoss continues to expand its predictive analytics solutions offerings, delivering advanced capability to analytics departments of large enterprises. We help clients realize the business value benefits of data mining by addressing the complexity challenges of traditional tools and methodologies and by offering packaged predictive analytics solutions combining market proven Angoss predictive analytics software, industry specific templates, and implementation services.

KnowledgeSTUDIO® Enterprise Continued Relationship Expansion

During the fourth quarter and fiscal year Angoss continued to expand its relationships with North America and Europe's leading financial services organizations, completing follow-on deployments of KnowledgeSTUDIO® at several major North American financial services organizations. Key differentiators driving client selection of Angoss continue to be rapid deployment, ease of use, rich functionality for both business users and advanced analysts, and a robust standards-based platform for predictive analysis, scoring, and reporting. Angoss expects this pattern to continue in 2005.

Angoss Claims and Payments Analysis™ Initial Wins Support Growth Plans

During the fourth quarter a leading North American disability insurer selected Angoss to implement a multiphase analytics program in support of major improvements it is making to its claims and payments analysis and assessment systems. Angoss expects to broaden the marketing of its Claims & Payments Analysis solution to Angoss and Angoss partner clients and prospects in the insurance and health care industries during 2005. Angoss was also selected under a separate project to provide a real-time, on-line payment analysis and fraud detection solution that forms part of the Angoss Claims & Payments Analysis solution.

Angoss FundGuard™ Launch Targets Mutual Fund and Wealth Management Industries

During the fourth quarter Angoss launched its FundGuard™ solution for the mutual fund and wealth management industries, securing two initial client opportunities for roll-out during 2005. Using FundGuard, mutual fund sales managers can support sales growth and asset retention by steering their wholesalers to their best sales opportunities and highest defection risks. The analytical results can easily be distributed to wholesalers at their desktops, PDAs or other wireless devices.

Angoss Credit Risk Analytics™ Delivers Risk Managers Improved Portfolio Management Capability

During the fourth quarter Angoss continued to expand its funnel of qualified prospects for Credit Risk Analytics™. Many financial services organizations are seeking standards based tools that deliver improved insight into the performance of their consumer and small business credit portfolios to satisfy increasingly stringent internal risk management and related regulatory compliance initiatives. Angoss Credit Risk Analytics™ provides a secure, standards based system with pre-packaged reports to help credit risk managers proactively detect and predict changes in portfolio metrics, while streamlining and reducing associated analysis, monitoring and reporting costs.

Results Summary

Unaudited preliminary results for the three months and fiscal year ended November 30, 2004 and corresponding 2003 results are as follows:

ANGOSS Software Corporation

Income Statement Information

(unaudited, stated in Canadian dollars)

For the period ended, November 30

	Three Months ended		YTD - Twelve Months	
	2004	2003	2004	2003
Revenues	\$ 1,661,843	\$821,490	\$ 6,073,494	\$4,541,717
Gross margin	1,655,122	816,493	6,024,128	4,513,801
Operating Expenses				
General and administration	454,763	331,324	1,601,050	1,328,726
Sales and marketing	827,910	546,655	3,274,187	2,328,294
Research and development, net	223,162	326,990	1,196,870	1,210,319
	1,505,835	1,204,969	6,072,107	4,867,339
Income (loss) before the following	149,287	(388,476)	(47,979)	(353,538)
Other income	31,658	31,700	55,724	58,045
Special charges	-	-	(125,646)	-
Amortization of capital assets	(25,055)	(19,510)	(88,544)	(71,092)
Amortization of deferred charges	(25,013)	(2,440)	(116,661)	(2,440)
Dividend expense	(40,030)	(7,499)	(161,000)	(7,499)
Foreign exchange gain (loss)	(160,743)	(79,887)	(152,981)	(317,252)
Loss before income taxes	(69,896)	(466,112)	(637,087)	(693,776)
Recovery of future income taxes	125,000	125,000	125,000	125,000
Net income (loss) for the period	\$ 55,104	\$(341,112)	\$ (512,087)	\$(568,776)
Basic and diluted loss per share	\$ 0.00	\$ (0.01)	\$ (0.01)	\$ (0.01)

Weighted average number of shares outstanding

Basic	39,313,472	38,760,194	39,221,687	38,606,666
Diluted	39,370,418	38,760,194	39,221,687	38,606,666

Selected Cash Flow Information

(unaudited, stated in Canadian dollars)

For the period ended, November 30

	Three Months ended		YTD - Twelve Months	
	2004	2003	2004	2003
Cash (used in) provided by operating activities	\$ 196,905	\$ (55,710)	\$ (396,783)	\$ 137,613
Cash used in investing activities	(13,789)	(7,820)	(142,625)	(97,307)
Cash provided by financing activities	(17,784)	2,305,679	2,497	2,559,243
Net (decrease) increase in cash during the period	165,332	2,242,149	(536,911)	2,599,549

Selected Balance Sheet Information (unaudited, stated in Canadian dollars)	November 30, 2004	November 30, 2003
Cash and cash equivalents	\$ 2,724,348	\$ 3,261,259
Accounts receivable	1,497,344	1,418,134
Prepaid expenses	65,575	77,285
Total current assets	4,287,267	4,756,678
Other assets	243,041	206,111
Total assets	\$ 4,530,308	\$ 4,962,789
	-	-
Accounts payable and accrued liabilities	\$ 578,808	\$ 260,904
Current portion of deferred revenue	1,392,347	1,450,929
Current portion of repayable contribution	94,530	47,265
Current redeemable portion of preferred shares	575,000	-
Other	26,576	7,499
Total current liabilities	2,667,261	1,766,597
Future tax liabilities	-	125,000
Repayable contribution agreement	134,286	199,335
Deferred revenue	11,600	287,501
Class A Preferred shares, Series 1	1,515,735	1,991,225
Total liabilities	4,328,882	4,369,658
Total shareholders' equity	201,426	593,131
Liabilities and shareholders' equity	\$ 4,530,308	\$ 4,962,789

Angoss Software empowers people to make "Better Business Decisions. Every Day."™

Some of the world's leading financial services, telecom, life sciences, and retail organizations use Angoss predictive analytics software and services to grow revenues, while reducing risk and cost. Angoss helps our clients utilize business data to **discover** the key drivers of behavior, **predict** future trends and events, and **act** with confidence by making results actionable.

Angoss combines powerful market proven software with focused industry services expertise in the deployment, integration and use of predictive analytics in enterprise environments. Our differentiators include broad user acceptance, a commitment to open standards, rich functionality, rapid deployment, exceptional ease-of-use and affordability.

Headquartered in Toronto Canada, Angoss has offices in the UK and Australia and partners with the world's leading enterprise software and services vendors. For more information, visit www.angoss.com.

This press release contains statements of a forward-looking nature. These statements are made under the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. The accuracy of these statements may be impacted by a number of business risks and uncertainties that could cause actual results to differ materially from those projected or anticipated, including: the risk that the sale of our products and services involves a long sales cycle; the risk that the economic environment and business conditions will remain difficult to predict; the risk of competition in our target markets; the risk that we may not respond adequately to evolving technologies; the risk that we or our customers may have difficulties in introducing our products or services; the risk that we will encounter difficulties in continuing to offer services; the risk that we will encounter difficulties in integrating the operations of acquired companies with our own; the risks of conducting our operations in a variety of international locations; the risk that we may need to record future write-downs of assets arising from our investments in other companies; the risks relating to the costs that we may incur as a result of litigation against us; and other risks described in our filings with securities regulatory authorities, including our annual reports, interim financial statements and similar disclosure documents. ANGOSS Software does not undertake any obligation to update this forward-looking information after the date of its initial publication, except as required under applicable law.

Note: The Toronto Venture Exchange has neither approved nor disapproved the above information.