



***FOR IMMEDIATE RELEASE - Attn: Business and Technology Reporters***

Contact:  
Alim Khan  
Marketing Manager  
416-593-2412  
[akhan@angoss.com](mailto:akhan@angoss.com)

## **GROWING INTEREST IN ANGOSS PREDICTIVE ANALYTICS SOLUTIONS FOR FINANCE AND TELECOM DRIVES HIGHER REVENUES AND PROFITS**

Toronto, Canada – April 10, 2006

Angoss Software Corporation (Angoss) (TSX-V: ANC) today announced unaudited results for the first quarter ending February 28, 2006, reporting higher revenues, lower operating expenses, higher profits and higher operating cash flow.

Revenues of \$1,574,610 increased by 12% over 2005 results (\$1,406,114). Growing interest in Angoss predictive analytics solutions for marketing and sales optimization, led by the Fund*GUARD*<sup>™</sup> and Telecom Marketing Analytics<sup>™</sup> offerings, and additional Angoss KnowledgeSEEKER<sup>®</sup> and KnowledgeSTUDIO<sup>®</sup> predictive analytics software deployments with leading North America, Europe and Asia based financial services organizations were the primary contributors to growth.

Operating expenses of \$1,352,923 were 6% lower than in the first quarter of 2005 (\$1,435,496). Lower operating expenses resulted from improved marketing effectiveness, higher sales productivity, and ongoing efforts to streamline and reduce the cost of packaged software sales.

As a result of revenue growth and reduced expenses, operating profit improved to \$216,329 compared with a prior year operating loss of \$33,361. Net income rose to \$59,927 compared with a first quarter 2005 net loss of \$29,994. Operating cash flow increased to \$343,029 from prior year operating cash flow of \$121,549.

Over 80% of the Company's revenues are derived from international sales, primarily in US and European markets. As a result, foreign exchange fluctuations continue to impact net income. During the first quarter, the continued decline in the value of the US Dollar and British Pound resulted in a non-cash foreign exchange loss of \$56,000 compared with a prior year gain of \$100,000.

Using Angoss predictive analytics systems, clients are able to detect and better target higher value customer segments, and significantly grow their revenue opportunities, while improving the effectiveness of their sales efforts, and more precisely targeting and measuring the impact of their marketing expenses.

"Our Fund*GUARD*<sup>™</sup> and Telecom Marketing Analytics<sup>™</sup> solutions are delivering exceptional return on investment to our customers, with significant improvements in marketing and sales effectiveness" commented Angoss President Eric Apps. "We are helping our clients reap the business value benefits of data mining, by offering industry targeted predictive analytics solutions based on market proven software and comprehensive expert services combining domain expertise and knowledge transfer that can be configured to meet their specific requirements."

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## First Quarter Highlights

Angoss continues to expand its predictive analytics solutions offerings, combining market proven Angoss predictive analytics software and industry specific templates, best practises and implementation services that help clients achieve business value benefits from predictive analytics faster, and at lower cost.

**Angoss FundGUARD™ Supports Predictive Lead Deployment To Grow Fund Sales; Trials Exceed \$200 Million in Assets Under Management.** The Angoss FundGUARD™ solution continues to drive significant value for Angoss customers, with assets under management (“aum”) of adopting clients growing by well over \$200 million in trial deployments. Specifically designed for the mutual fund and wealth management industry, and delivered on both traditional licensing and “software as a service” (SaaS) delivery models, FundGUARD™ uses advanced analytics to drive territory coverage planning and growth in assets under management while reducing redemption risk. Angoss expects to continue to expand the scope of its predictive analytics solutions for the institutional finance, mutual fund and wealth management industries during 2006. Angoss is also exploring delivery of FundGUARD™ based marketing and sales optimization solution to other financial services and telecom industry segments with similar needs to use advanced analytics to optimize their sales performance, while reducing direct marketing costs.

### **Angoss Telecom Marketing Analytics™ Now Supports Location Optimization**

During the first quarter Angoss continued to expand the capability of its Telecom Marketing Analytics™ solution, with expansion of its sales efforts to target the information & communications technologies (ICT) marketplace. Angoss predictive analytics industry solutions continue to focus on marketing effectiveness and sales channel optimization. Angoss solutions are being extended to support location selection and analysis that can be easily integrated with popular geographic information system solutions such as MapInfo and ESRI. Specifically designed for the communications industry, Angoss Telecom Marketing Analytics™ provides operations, marketing and sales professionals with advanced analytics tools enabling improved location selection, better inventory management, optimization of their direct and indirect channels to market, strategic segmentation of their customer base, more effective promotion of product and service bundling, increased customer value, and reduced churn.

### **Licensing Proceedings Update**

As previously disclosed Angoss has instituted litigation proceedings against Siebel Systems (formerly NASD: SEBL). Initial depositions of Angoss personnel have been completed and Angoss has received preliminary access to licensing agreements and related documentation relating to licensing transactions under review involving Siebel Systems “pool of funds” licensing transactions since 2003. The trial is currently expected to be completed during 2006.

### **Results Summary**

Shareholders and other investors should note that these results reflect restatement of 2005 results from the previously presented unaudited 2005 results to reflect the adoption by the Company effective for the fiscal year ended November 30, 2005 of new revenue recognition policies in conformity with EIC-142.

Unaudited preliminary results for the three months ended February 28, 2006 and corresponding 2005 results are as follows:

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**ANGOSS Software Corporation**  
**Income Statement Information**

(unaudited, stated in Canadian dollars)

	Three Months ended	
	February 28, 2006	February 28, 2005
Revenues	<b>\$1,574,610</b>	\$1,406,114
Gross margin	<b>1,569,252</b>	1,402,135
Operating Expenses		
General and administration	<b>376,831</b>	396,255
Sales and marketing	<b>708,724</b>	772,304
Research and development, net	<b>267,368</b>	266,937
	<b>1,352,923</b>	1,435,496
Income (loss) before the following	<b>216,329</b>	(33,361)
Amortization of capital assets	<b>(30,245)</b>	(22,528)
Amortization of deferred charges	<b>(14,070)</b>	(24,965)
Dividend expense	<b>(30,105)</b>	(40,140)
Foreign exchange gain (loss)	<b>(56,087)</b>	100,661
Stock option expense	<b>(25,895)</b>	(9,661)
Net income (loss) for the period	<b>\$59,927</b>	\$(29,994)
Basic and diluted earnings (loss) per share	<b>\$0.00</b>	\$(0.00)

Weighted average number of shares outstanding

Basic	<b>39,499,723</b>	39,395,681
Diluted	<b>40,266,200</b>	39,395,681

**Selected Cash Flow Information**

(unaudited, stated in Canadian dollars)

	Three Months ended	
	February 28, 2006	February 28, 2005
Cash (used in) provided by operating activities	<b>\$343,029</b>	\$121,549
Cash used in investing activities	<b>(9,133)</b>	(56,745)
Cash provided by financing activities	<b>(19,334)</b>	7,001
Net (decrease) increase in cash during the period	<b>314,562</b>	71,805

**Selected Balance Sheet Information**

(unaudited, stated in Canadian dollars)

	February 28, 2006	November 30, 2005
Cash and cash equivalents	<b>\$2,134,710</b>	\$1,820,148
Accounts receivable	<b>1,435,634</b>	1,938,333
Prepaid expenses	<b>126,048</b>	103,506
Total current assets	<b>3,696,392</b>	3,861,987
Other assets	<b>301,632</b>	327,032
Total assets	<b>\$3,998,024</b>	\$4,189,019
Accounts payable and accrued liabilities	<b>\$359,353</b>	\$625,917
Current portion of deferred revenue	<b>2,641,105</b>	2,635,708
Current portion of repayable contribution	<b>79,500</b>	79,500
Current redeemable portion of preferred shares	<b>575,000</b>	575,000
Other	<b>19,928</b>	601,026
Total current liabilities	<b>3,674,886</b>	3,942,151
Repayable contribution agreement	<b>62,817</b>	82,151
Class A Preferred shares, Series 1	<b>1,040,520</b>	1,030,738
Total liabilities	<b>4,778,223</b>	5,055,040
Total shareholders' equity	<b>(780,199)</b>	(866,021)
Liabilities and shareholders' equity	<b>\$3,998,024</b>	\$4,189,019

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Angoss Software empowers people to make "Better Business Decisions. Every Day."<sup>TM</sup>

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 when making business decisions.

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](http://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.

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