



Craneware plc
("Craneware" or the "Company")

Trading Update

18 January 2010 –Craneware plc (AIM: CRW.L), the market leader in automated revenue integrity solutions for the US healthcare market, is pleased to give an update on trading for the 6 month period ended 31 December 2009. The Company also announces the launch of a new product and that product's first customer win.

Strong financial performance

Craneware has continued to demonstrate strong growth during the period and expects to report results in line with management expectations. With revenue growth exceeding 23% (H1 FY09: \$10.6m), profit before share based payments, depreciation and amortisation is expected to increase by over 30% (H1 FY09: \$2.5m).

In addition to this growth, the total value of contracts signed in the period has increased a further 15% over the previous record announced in the first half of last year (H1 FY09: \$21.8m). Craneware's annuity revenue recognition model means the majority of revenue associated with these contracts will be recognised in future periods, adding to the Company's already high visibility of future revenues.

Product launch and first customer win

The half concluded with the successful launch and the first customer win of a new product, Supplies ChargeLink™. This software solution helps hospitals better manage and optimise reimbursement for chargeable supplies, giving visibility into supply costs and charges and identifying supply item inconsistencies in the Chargemaster, a hospital's centralised list of billable items.

A recent survey completed by Porter Research in the U.S. found 75 percent of U.S. hospitals currently do not use any automation tools to compare their supply purchase histories with actual billing for supplies. Supplies ChargeLink automates the manual processes that most hospitals use to align their supply chain, charge capture and billing procedures. According to a recent Healthcare Financial Management Association InstaPoll of members, currently more than 50 percent of U.S. hospitals believe they are reimbursed for less than half of their chargeable supplies.

First to purchase the new software, made generally available in December 2009, was Washington County Regional Medical Center, a 116-bed, non-profit organisation serving east Central Georgia since 1960.

First in KLAS

In addition, in December 2009, Craneware was named the number one product supplier in the Chargemaster area for the fourth year running by the prestigious U.S. IT healthcare industry research group, KLAS. This research is based entirely on user feedback and demonstrates the continued high quality of Craneware's core product offering, Chargemaster Toolkit.

Craneware will be announcing Interim results on Monday 22 February 2010.

Keith Neilson, CEO of Craneware plc commented, "Craneware continues to deliver tangible value to its customers, identifying areas where the financial operation of hospitals can be improved and delivering best of breed software to manage those issues and capture lost revenue. At a time when the U.S. healthcare market is facing increasing fiscal and legislative pressure,

these solutions are becoming increasingly relevant and this combined with our continued focus on sales execution and product development has led to the strong performance in the first half of the year. With a record level of contracted sales in the half, extending our already high visibility over our revenues for the remainder of this year and future periods, we continue to view the future with confidence.”

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About Craneware

Founded in 1999, Craneware has headquarters in Livingston, Scotland, with offices in Florida, Arizona and Kansas, employing over 100 staff. Craneware partners with healthcare organisations to improve returns, increase productivity and manage risk, driving better financial and operational performance using market-driven revenue management solutions. By enhancing revenue capture processes, Craneware solutions enable healthcare organisations to optimise reimbursement, improve operational efficiency, and support compliance. Visit craneware.com.