

- PRESS RELEASE -
CST Announces Acquisition of
Flomerics' EM Business Line

DARMSTADT, Germany, 20 December 2007, Computer Simulation Technology (CST) announces the acquisition of the Flomerics electromagnetics simulation software business including MicroStripes and FLO/EMC with effect from 1 January 2008.

Through this acquisition, CST will gain complementary EM technology for its customers; of particular interest is the transmission line matrix (TLM) method, as an alternative Time Domain approach. Furthermore, Flomerics' strong position in the emc market and related specialised product features will offer new possibilities to CST's users, also operating in this market.

"Flomerics has decided to focus on maintaining its leadership position in electronics thermal analysis and growing its market share in general-purpose CFD," commented Gary Carter, Chief Executive of Flomerics. "We chose to sell the business to CST to ensure first-class ongoing support and the commitment to providing the best tools in the business for electromagnetics simulation."

All MicroStripes and FLO/EMC customers will continue to receive full technical support from CST GmbH. CST will continue to provide further updates for MicroStripes customers and expects to continue to support and enhance the transfer of geometry from FLOTHERM models to MicroStripes and FLO/EMC. This transaction further increases CST's share in the 3D EM simulation market, and signals the beginning of a strategic relationship between Flomerics and CST GmbH. Customers will benefit from using a combination of world-leading analysis software products from the two companies.

Flomerics and CST will be working together to ensure that Flomerics EM staff will be offered continuous employment by CST GmbH, including those in sales, support, engineering and R&D roles. This also ensures the best possible ongoing support and future migration path for customers.

"The acquisition of the Flomerics EM business line and its TLM technology follows CST's strategy of providing the most complete technological offering for the high frequency EM market," said Dr. Bernhard Wagner, Managing Director, CST. "We will ensure a high level of continuity for all users of the MicroStripes and FLO/EMC products and are looking forward to working closely with all customers."

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About CST

CST develops and markets high performance software for the simulation of electromagnetic fields in all frequency bands. Its success is based on the implementation of unique, leading edge technology in a user-friendly interface. CST's customers operate in industries as diverse as Telecommunications, Defense, Automotive, Electronics, and Medical Equipment, and include market leaders such as IBM, Intel, Mitsubishi, Samsung, and Siemens. With 130 employees worldwide and a network of qualified distributors, over 170 people are dedicated to the development and support of its EM products in more than 30 countries. Further information about CST is available on the web at www.cst.com.

About Flomerics

Flomerics (www.flomerics.com) is a world-leading developer of engineering simulation software and services for analysis of fluid flow, heat transfer. Flomerics' business model is drastically different from traditional analysis because its software is designed to be embedded deeply into the design process and used by mainstream design engineers, not just by analysis specialists.

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