



CAPE SYSTEMS ANNOUNCES RELEASE 4.0 OF ITS PICRITE® PICK-TO-LIGHT PICKING SYSTEM

South Plainfield, New Jersey (January 11, 2006) – CAPE Systems Group, Inc. (OTCBB:CYSG), a leading provider of software technology for packaging design, RFID asset tracking, pallet optimization, inventory and warehouse management, supply chain execution and order fulfilment, today announced the release of Release 4.0 of its PicRite® state-of-the-art pick-to-light system. New features include Windows XP compatibility, pluggable interfaces into leading ERP systems, such as SAP and Oracle, and seamless integration to backend systems running on virtually any operating system, including Linux, Windows, Unix, and AS/400. The system provides an easy migration path for companies currently operating on legacy picking or warehouse management systems, and offers seamless interoperability for companies that have embraced newer technology platforms, such as .NET and JAVA. The system is designed for rapid and easy implementation. Once installed users have access to the most advanced efficiencies, the latest operating platforms and all up to date databases.

David Sasson, **CAPE's** Chief Operating Officer and Chief Technical Officer, explains, "This is an elegant solution for companies with legacy based systems that need to port their picking function on to the latest platforms, with all the benefits of accuracy and productivity improvement which PicRite® Release 4.0 provides. That means access to the fastest file servers from manufacturers such as IBM, Dell and Hewlett-Packard, as well as seamless access to industry-standard databases such as Informix, Oracle and SQL Server."

About CAPE Systems

CAPE Systems is an international provider of supply chain management technologies. CAPE Systems offers a comprehensive range of software systems and tools, from packaging and pallet optimization software, to integrated warehouse and inventory management solutions, pick-to-light systems, RFID asset tracking and transportation management systems for enterprise wide and collaborative supply chain optimization. For more information about CAPE Systems visit: www.capesystems.com.

Safe Harbor

Statements about the company's future expectations, including future revenue and earnings and all other statements in this press release, other than historical facts, are "forward-looking" statements and are made pursuant to safe harbor provisions of the Securities Litigation Reform Act of 1995. Such forward-looking statements involve risks and uncertainties and are subject to change at any time. The company's actual results could differ materially from expected results. In reflecting subsequent events or circumstances, the company undertakes no obligation to update forward-looking statements.

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