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FOR IMMEDIATE RELEASE:

Kernex Microsystems wins \$17.5 Million Order from Egyptian National Railways

- **Indian Railways to implement ACD Networking System for Nationwide Railway tracks**
- **Receives implementation approvals : South Central, Southern & South Western Railways**
- **Successfully completed pilot projects for Konkan & North Frontier Railways**

Hyderabad, India, Tuesday, November 20th, 2008: Kernex Microsystems India Ltd, today announced winning of a \$17.5 million order from the Egyptian National Railways, for the supply and development of 136 semi-automatic level crossings and is negotiating additional provisions of 174 gates. This is part of Egyptian Railways' process for modernizing and upgrading their National Railway infrastructure and assets.

Speaking on the occasion, **Col. L.V.Raju (Retd), Managing Director Kernex Microsystems** said, *"We are pleased to receive this order, having competed with the international big names in the industry. We were extremely competitive in our offer, both in price and quality. This is a good boost to our organisation."*

"Kernex Microsystems India Ltd, won the bid amongst the best names in the market today, due to their expertise, quality service and their marketing strategy. ENR has selected Kernex to undertake the US\$17.5 m modernization of 136 level crossings. The Contract was executed on Nov 5, 2008 and work would commence immediately", commented the Director General Signals of the Egyptian National Railways.

"Going forward, we have very aggressive R&D and Marketing plans. To facilitate easy operations to our clients, we will shortly be opening Kernex office in Cairo, Egypt."

"We are technology partner for the development and implementation of ACD system for railways, ADD's for Metro Sky-Bus Urban Transportation System, Advanced Railway Signal Systems and other safety systems with Konkan Railways Corporation Ltd. The Indian Railways have decided to implement the ACD Networking System to cover the entire Railways track in the country in the next 6 to 7 years. We have successfully completed a pilot project in North Frontier Railways and have received implementation approvals for Southern, South Central and South Western Railways. Enquiries are also received for ACD implementation with Railways of other countries namely Egypt, Bangladesh, Kazakhstan, South Africa and Sri Lanka etc", said Col. L.V Raju.

By providing solutions and a requirements-driven approach, Kernex enables organizations to improve on quality while reducing time for implementation and thus overall costs. Based on the concept and domain knowledge, provided by our technology partner, Kernex developed the networked Anti-Collision Devices, using Global Positioning System, Radio Data Communication, Application Logics and Inter facing these with an Auto Breaking System. This safety system prevents the impending accidents at the level crossings and collision like situations on main tracks. Apart from various variants like Loco ACD, Station ACD, Gate ACD, Guard ACD, Repeater ACD, we have developed a portable workman ACD which can be manpacked so that Railway men can warn trains enroute at construction sites, during repairs & maintenance and in dangerous contingencies.

We are also partners with M/s Altpro d.o.o., Croatia. We adopted and introduced multi section axel counters first time in India. Further, we are negotiating with world leaders on solid state inter locking systems for railways. Our vision for future is to become one of the leading companies specialized in Railway operation & safety.

About Kernex Microsystems:

Established in 1991 and registered as 100% Export Oriented Unit **Kernex Microsystems India Ltd** is an ISO 9001:2000 certified company with expertise in Software, Hardware development and Systems Integration. It is engaged in the business of manufacturing, installing and maintaining of anti collision systems as well as developing certain railway safety and signal systems. Kernex is a leader in design, engineering and development of anti-collision systems for providing safety to trains in Railways and holds exclusive license for manufacturing, installation, commissioning and maintenance of ACD's in India. Kernex also has an outsourced facility for the manufacture and supply of ACDs and related accessories. Some of its esteemed clients include, North-East Frontier Railway, SKYBUS METRO Corporation Ltd., DAXPRO, Kuala Lumpur, Malaysia, Wolverine Information Systems Inc. U.S.A, JKL Corporation Fremont, CA, U.S.A. Headquartered in Hyderabad, India, it has operations in USA and planned operations in the Far East, Africa and Middle East. For further info contact: www.kernex.in

Colonel L.V. Raju (Retd.), Managing Director

Col. L.V. Raju (Retd.), has brought in his rich experience and expertise as Managing Director of Kernex Microsystems. Under his leadership, Kernex has diversified into Research & Development of new technologies and products. He has been instrumental in the company's development of anti-collision devices for use in Railways focusing on railway safety and signal systems. Col Raju is a Mechanical Engineer from Sri Venkateswara University, Tirupati with P.G. in Industrial Engineering & Information Technologies from NITIE, Bombay. He was also an instructor at the College of Military Engineering, Pune, and graduated in Military Science from Defense Service Staff College, Wellington. Col. Raju served in a number of important executive and staff appointments during his tenure in the Indian Army. Col. Raju was awarded Chief of Army Staff Commendation Card in 1993 for his outstanding work.