

PRESS RELEASE

No Magic revenues sprung by almost 50% in 2004

Golden, Colorado – March 8, 2005. No Magic, Inc. has grown 43% year-over-year from 2003 to 2004. Last year was a third year in a row when No Magic has seen double digit growth in its revenues. No Magic, whose main revenue generator is industry's leading UML tool MagicDraw, has rapidly increased its market share along with its revenue growth from professional services.

"Several things have contributed to our strong growth, including support for emerging technologies, support for the latest UML standards, our influence in the OMG, and strong ongoing reinvestment in our flagship product. We have worked hard to quickly introduce improvements as they are requested by our customers. We have a nice dialog with our current and prospective customers and our market share growth comes as no surprise." said Michael Harris, CEO of No Magic. No Magic operates worldwide and last year was true success for its European operations: MagicDraw revenues in Europe have grown by 58% while European professional services revenue has grown by over 600%.

"No Magic will see strong growth again this year" adds Michael Harris. "The pace of UML adoption has quickened, as businesses have become increasingly concerned about vendor lock-in. Our customers are using an open standard to describe their enterprise architecture and want maximum flexibility to reuse their business, process and technical architectures and models. Our award-winning UML modeling tool is the best choice out there for demanding architects."

Last year's MagicDraw aggressive release schedule has debuted innovative enterprise features such as source code reverse engineering into UML sequence diagrams, visual model differencing and model transformations. "We will keep the same pace this year", says Saulius Kaukenas, Director of Product Development, "In the second quarter of this year No Magic plans to roll out MagicDraw version 10.0, a full-blown UML offering based on UML 2.0 metamodel, latest OMG standard which is also going to be finally adopted very soon, we expect it to be finalized in a matter weeks. Our future tool schedule contains offerings for business analysts and enterprise architects."

About No Magic

Founded in 1995, No Magic Inc. is headquartered in Golden, Colorado with operations worldwide. In 1998 No Magic released MagicDraw UML version 1.0, the first large scale application completely developed in Java, earning Sun's "100% Java Application" credential. In addition to continued development of MagicDraw, No Magic, Inc. also provides software development outsourcing services from its software development facilities in Kaunas, Lithuania and Bangkok, Thailand.

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