

News Release
Acceleware Reports First Quarter Results for Fiscal 2011
For Immediate Release

CALGARY, Alberta – May 30, 2011 – Acceleware® Ltd. (“Acceleware” or the “Company”) (TSX-V: AXE), a leading developer of high performance computing applications, today announced results for the three months ended March 31, 2011 (all figures are in Canadian dollars unless otherwise noted).

During the three months ended March 31, 2011 (“Q1, 2011”) Acceleware achieved its third consecutive quarter of improvement in both revenue and net loss when compared to the same quarter a year ago (three months ended March 31, 2010 “Q1, 2010”) The improvement was a result of increases in product sales (particularly the Company’s electromagnetic simulation software) and in the Company’s proprietary HPC training services, coupled with an overall reduction in expenses. “We are pleased to see stronger sales in our traditional segment of electromagnetic simulation driven by increased usage among the world’s largest electronics manufacturers,” said Geoff Clark president and CEO of Acceleware. “In addition, sales of our newest product line – Acceleware’s proprietary training programs – aimed at programmers wishing to harness the huge potential of graphics processing units (“GPUs”) for high-performance computing (“HPC”) applications continue to exceed our expectations. The closing of our plan of arrangement and non-dilutive financing of approximately \$900,000 announced last month has improved our balance sheet and will allow us to invest in further developing, commercializing and marketing our products in 2011.”

During the three months ended March 31, 2011, Acceleware had a net loss of \$260,505 a 38% decrease compared to a net loss of \$418,979 for the three months ended March 31, 2010. The decrease in net loss is a result of increased revenue relating to product sales and consulting services, and reduced general and administrative expense. The reduced general and administrative expense was partially offset by increased research and development expenses. Net loss for Q1, 2011 increased 216% from the \$82,532 recorded in Q4, 2010 due to reduced consulting services revenue. During Q1, 2011 the Company recognized revenue of \$514,624 representing a 4% increase over the \$493,735 recognized during Q1, 2010 due to increased products and consulting services revenue. Revenue for Q1, 2011 decreased 23% over the \$672,556 recognized in Q4, 2010. The decrease in revenue from Q4, 2010 was due to a delay in the commencement of consulting services projects particularly in the oil and gas market.

At March 31, 2011 Acceleware had \$129,443 in working capital compared to December 31, 2010 when it was \$342,618. Cash and cash equivalents have decreased since December 31, 2010 from \$353,584 to \$250,312 as at March 31, 2011. The decrease in working capital is related to negative cash flow from operating activities during the three months ended March 31, 2011. However, working capital and cash and cash equivalents increased substantially subsequent to the period end due to the closing of the Company's plan of arrangement that resulted in approximately \$900,000 in cash proceeds to the Company. The Company continues to have no debt. Despite the financing, Management's objective remains to manage cash flow and investment in new products to ensure that cash requirements do not exceed cash generated from operations. Due to lower revenue and higher expenses, cash flow from operating activities decreased to negative \$90,929 in Q1, 2011 from positive \$49,625 in Q4, 2010.

Revenue

During the three months ended March 31, 2011, the Company reported total revenues of \$514,624, a 4% increase compared to \$493,735 for the three months ended March 31, 2010. The increase in recognized revenue over the same period in the prior year was due to an increase in consulting revenue, particularly relating to the Company's proprietary training services. Recognized revenue decreased 23% in Q1, 2011 compared to \$672,556 in Q4, 2010 due largely to a delay in the commencement of new consulting revenue projects in the oil & gas market.

Product sales increased 1% from \$179,678 in Q1, 2010 to \$181,447 in Q1, 2011 and increased 18% from the \$153,126 in Q4, 2010 as the Company's CAE partners' sales prospects increased in 2011. Maintenance revenue decreased 5% from \$103,748 in Q1, 2010 to \$98,083 in Q1, 2011 reflective of the overall decrease in product sales over the preceding 12 months. However, maintenance revenue increased 59% in Q1, 2011 compared to the \$61,764 recorded in Q4, 2011 as many of the Company's customers renewed annual maintenance contracts in Q1, 2011. Consulting services increased 12% to \$235,074 in Q1, 2011 from \$210,269 recorded in Q1, 2010 due to an increase in CUDA and OpenCL training services. Consulting revenue decreased 49% from the \$457,613 recorded in Q4, 2010 due to a delay in the commencement of new consulting services projects from key customers in the oil and gas market. The Company

expects consulting services revenue relating to oil and gas markets to increase as 2011 progresses.

Expenses

Expenses decreased 15% during the three months ended March 31, 2011 to \$775,129 from \$912,714 for the three months ended March 31, 2010. The decrease is a result of the significant reductions in general and administrative expense, partially offset by increases in research and development expense. Expenses increased 3% from the \$755,088 recorded in Q4, 2010, due to increased research and development expense, partially offset by reduced general and administrative expense and amortization.

Cost of revenue for Q1, 2011 decreased 3% to \$86,387 from \$88,684 in Q1, 2010. The decrease is a result of increased margin in the Company's training services compared to other forms of consulting services revenue. Cost of revenue decreased 36% from \$134,233 expensed in Q4, 2010, due to decreased consulting cost of revenue (in turn caused by decreased consulting revenue) in Q1, 2011 compared to Q4, 2010.

General and administrative expenses ("G&A") include all salaries (excluding research and development personnel) and related expenses (including benefits and payroll taxes); sales and marketing activities; facility costs; stock-based compensation; a proportion of amortization of assets; and professional fees. For the three months ended March 31, 2011 G&A expenses decreased 39% to \$315,762 from \$517,625 recorded in Q1, 2010. The decrease is a result of lower staff levels, lower share-based compensation resulting from no stock option grants in Q1, 2011, lower facility costs, lower amortization, all slightly offset by higher professional fees. G&A expense decreased 8% in Q1, 2011 compared to the \$314,381 recorded in Q4, 2010. The decrease is again a result of lower staff levels, offset by increased professional services fees associated with the Company's transition to IFRS.

For the three months ended March 31, 2011, research and development ("R&D") expenditures increased 22% to \$372,556 from \$306,405 for the three months ended March 31, 2010. The increase is a result of a significant reduction in government funding for R&D in Q1, 2011 compared to Q4, 2010. R&D expense increased 36% in Q1, 2011 compared to the \$273,618 recorded in Q4, 2010. The increase is a result of increased staffing levels in R&D, coupled with a reduction in the R&D staff devoted to consulting services in Q1, 2011 compared to Q4, 2010.

Additional information, including the interim unaudited financial statements for the three months ended March 31, 2011 and management's discussion and analysis relating thereto, and the annual audited financial statements for the year ended December 31, 2010 and management's discussion and analysis relating thereto are available on SEDAR at www.sedar.com.

About Acceleware:

Acceleware develops and markets solutions that enable software vendors to leverage heterogeneous, multi-core processing hardware without rewriting their applications for parallel computing. This acceleration middleware allows customers to speed-up simulation and data processing algorithms, benefitting from high performance computing technologies available in the market such as multiple-core CPUs, GPUs or other acceleration hardware.

Acceleware solutions are deployed by companies worldwide such as Philips, Boston Scientific, Samsung, Kodak, General Mills, Nokia, LG, RIM, Medtronic, Hitachi, Fujifilm, FDA, Mitsubishi, Sony Ericsson, AGC, NTT DOCOMO, P-Wave Seismic and Renault to speed up product design, analyze data and make better business decisions in areas such as consumer electronics, industrial design, seismic data processing, imaging for the medical, industrial testing and security, defense, financial, and academic research.

Acceleware is a public company on Canada's TSX Venture Exchange under the trading symbol AXE.

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For further information:
Geoff Clark
+1 (403) 249-9099,
geoff.clark@acceleware.com

Acceleware Ltd.
1600 - 37th St SW
Calgary, AB T3C 3P1
Ph: 1.403.249.9099
www.acceleware.com