



PRESS RELEASE

FOR IMMEDIATE RELEASE

**ADVANCED DISTRIBUTION SYSTEMS ORDERS
NEW WMS SYSTEM FROM CAPE SYSTEMS**

South Plainfield, New Jersey (August 10, 2005) – CAPE Systems Group, Inc. (OTCBB:CYSG), a leading provider of software technology for packaging design, pallet optimization, RFID Asset Tracking, inventory and warehouse management, supply chain execution and order fulfilment, today announced that it has received the latest in a series of orders from Advanced Distribution Systems (“ADS”), one of the nation’s largest third party logistics providers, to install new warehouse management software into ADS’s Orangeburg, NY distribution center. ADS has previously chosen CAPE for its pick-to-light order fulfillment solution at its five other facilities throughout the US.

Ted Boccuzzi, Founder of ADS commented, “ We are delighted to continue our partnership with CAPE. Their proven WMS solution is easily implemented, and up and running with minimal interruption to our business in the shortest possible time. From the time of installation we enjoy efficiencies and cost savings from these battle tested solutions. ”

Nicholas Toms, CEO of CAPE, commented, “We are extremely pleased by the confidence ADS has once again shown in us with this latest order. This alliance signifies our continued rapid growth as a leading provider of wireless warehouse management software solutions into the third party logistics market.”

About Advanced Distribution Systems

Advanced Distribution Systems, Inc., (“ADS”), established in 1979 is a Third Party Logistics Company. ADS provides cost-effective and reliable contract fulfillment concentrating in the Cosmetic, Fragrance, Health and Beauty Industry.

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, RFID asset tracking, to integrated warehouse and inventory management solutions, pick-to-light systems, and transportation management systems for enterprise wide and collaborative supply chain optimization. For more information about CAPE 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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