



NEWS RELEASE

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SOFTBRANDS TO ACQUIRE MAI SYSTEMS

LAKE FOREST, CA - August 3, 2006 - MAI Systems Corporation (MAIJ.PK) announced today that it has entered into an agreement to be acquired by SoftBrands, Inc. (AMEX:SBN). MAI operates principally through its Hotel Information Systems (HIS) subsidiary. HIS is the maker of the **epitome** hotel property management systems and **core** central reservations system. SoftBrands indicated that it will merge the HIS personnel, products and services into its hospitality operations.

At the closing of the acquisition, SoftBrands will make a closing payment aggregating \$13 million, or \$32.32 per share, to the holders of MAI common stock, and will pay \$2.5 million, or \$6.22 per share, into an escrow account where it will be retained until December 31, 2007 (subject to extension of such period, pending the resolution of claims by SoftBrands against the escrow). Furthermore, SoftBrands will pay approximately \$6.2 million to repay MAI indebtedness. Additionally, certain consideration shall also be paid to the officers of the company.

The acquisition has been approved by the MAI board of directors and the holders of a majority of MAI's common stock, but has not yet closed. The transaction, which is expected to close in the next two weeks, is subject to customary closing conditions.

MAI expects to mail a notice to stockholders promptly following the closing of the merger, which will describe in greater detail the merger transaction, the consideration to be received by stockholders, and the dissenter's rights applicable to the merger transaction. Such mailing is expected to include a letter of transmittal to be used by MAI stockholders to submit their share certificates and receive their closing payments. MAI stockholders are cautioned that the amount to be received out of escrow depends upon the result of certain losses incurred or suffered by SoftBrands and related parties. The amount that will actually be distributed from escrow is not capable of being predicted at this time.

Prior to a reverse stock split in November 2005, MAI had been a reporting company under the Securities Exchange Act of 1934, but no longer is subject to such reporting requirement. MAI stockholders are encouraged to review carefully the notice which will be mailed to them shortly.

MAI Chief Executive Officer W. Brian Kretzmer commented, "Our Company has performed better over the last several years, we re-established the Hotel information Systems brand and introduced cutting edge technology to our industry. The Hotel Information Systems organization will blend well with the SoftBrands Hospitality business and a larger stronger entity will emerge. The hospitality industry should benefit from this transaction by having a strong global provider. I am proud of the people and the products of Hotel Information Systems and am confident in the success of the combined entity."

More – More – More

SoftBrands to Acquire MAI Systems

About MAI Systems Corporation

MAI Systems is a worldwide provider of total information system solutions to the hospitality, resort and destination market. Headquartered in Lake Forest, California, MAI has worldwide offices for sales and service. For information on the Company's innovative hospitality solutions, call 1.800.497.0532, or visit www.hotelinfosys.com or www.maisystems.com.

About Hotel Information Systems

Hotel Information Systems delivers solutions developed using the only tools available today for flexible enterprise computing, Java and .NET. The corporate consolidation and on-property management solutions enable hoteliers to focus on relationships, support sales and marketing goals, and implement decisions in a rapid change environment. The Company's highly skilled, customer-focused staff provide expert assistance to clients when integrating their business processes with their partners, suppliers and customers, leveraging existing IT investments and implementing a solid technology foundation to add functionality at their own pace. With years of hospitality experience, open standards development methodology, scalable architecture, and best business practices, Hotel Information Systems provides clients with solutions for sustainable competitive advantage. For a complete demonstration or additional information about Hotel Information Systems' **core** and **epitome** Solutions, please contact a Hotel Information Systems Client Solutions Representative at 1.800.497.0532 or visit the Hotel Information Systems Web site www.hotelinfosys.com.

About SoftBrands

SoftBrands, Inc. is a global leader in providing solutions for small- to medium-sized businesses in the manufacturing and hospitality industries worldwide. With approximately 4,000 customers in more than 60 countries now actively using its manufacturing and hospitality products, SoftBrands has established a global infrastructure for distribution, development, and support of enterprise software. The company, headquartered in Minneapolis, Minnesota, has 600 employees with branch offices in Europe, India, Asia, Australia, and Africa. Additional information can be found at www.softbrands.com.

Forward-Looking Statements

This document contains forward-looking statements with respect to the above merger transaction and the proposed combination of the two companies, and these statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those set forth herein. These include, without limitation: uncertainty as to whether and in what time frame the merger transaction will be completed; the failure of either party to meet the closing conditions set forth in the definitive agreement; uncertainty as to the timing or amount that MAI stockholders will receive for the portion of the merger consideration that is placed into escrow; the potential inability to retain key personnel both before and after the transaction closes; ongoing relations between the two companies and their suppliers, customers and other parties; risks associated with acquisitions and mergers generally; and other risks and uncertainties as may be detailed from time to time in public announcements and SEC filings. This document contains forward-looking statements within the meaning of the federal securities laws. Readers are cautioned not to place undue reliance on these forward-looking statements and any such forward-looking statements are qualified in their entirety by the cautionary statements contained herein. Neither MAI Systems nor SoftBrands updates forward-looking statements and they expressly disclaim any obligation to do so.