

Opto Circuits to acquire US-based Criticare Systems Inc. for \$68 million

Bangalore| Milwaukee, February 25, 2008

Opto Circuits (India) Limited, India's leading manufacturer of medical diagnostics and interventional products, today announced that it has entered into a definitive agreement with Criticare Systems Inc., a leading US-based healthcare company, to launch a tender offer to acquire all the outstanding shares of Criticare at an offer price of USD 5.50 per share, for an aggregate price of approximately USD 68 million (including debt and cash). The offer price represents a premium of 65 per cent to the average price of Criticare common stock over the preceding three months and a premium of 19 per cent, to the closing price of Criticare common stock on Friday, February 22, 2008, of USD 4.62.

Under the terms of the agreement, which is being made publicly available through a filing by Criticare Systems with the SEC, a wholly-owned subsidiary of Opto Circuits will make an all cash tender offer for all outstanding shares of Criticare common stock and then merge with Criticare. The Board of Directors of Criticare has unanimously recommended that the stockholders of Criticare accept the offer and tender their shares of Criticare common stock pursuant to the offer.

Mr. Vinod Ramnani, Chairman and Managing Director of Opto Circuits, commented on the transaction: "This acquisition will help Opto expand its patient monitoring business and will further fortify its presence in the United States. Over the years, Criticare has built a very strong reputation for high-quality and innovative products and services."

He also added, "This transaction will also open many new markets for Criticare's products. We are confident that our global infrastructure and marketing presence will only enhance Criticare's position as an innovator and supplier of world class healthcare solutions."

"We believe this transaction will provide significant value to our stockholders, and will accelerate Criticare's growth through enhanced market presence while creating a stronger platform to serve our customers worldwide," said Emil Soika, President and CEO of Criticare.

Roth Capital Partners acted as financial advisor to Criticare in the transaction and delivered a fairness opinion to Criticare's Board of Directors.

About Criticare Systems Inc.

Criticare Systems Inc. (AMEX:CMD – News) (www.csiusa.com) designs, manufactures, and markets cost-effective patient monitoring systems and non-invasive sensors for a wide range of hospitals and alternate health care environments throughout the world.

Safe Harbor Statement

The forward-looking statements included in this release are made only as of the date of publication. Except as otherwise required by law, Criticare and Opto Circuits disclaim any intention or obligation to update any forward-looking statements as a result of

development occurring after the date of this press release. This release contains forward-looking statements regarding the proposed acquisition of Criticare, the expected timetable for completing the transaction, future business prospects and market conditions and benefits and synergies of the transaction. Such statements are based on the current assumptions and expectations of Criticare's and Opto Circuits' management and are neither promises nor guarantees. You can generally identify these forward-looking statements based on the context of the statements and by the fact that they use words such as "will," "anticipate," "expect," "project," "intend," "plan," "believe," "target" and other words and terms of similar meaning in connection with any discussion of future operating or financial performance. There can be no assurance that management's estimates of our future results will be achieved. Important factors that could cause actual results to differ materially from those presently expected include: conditions affecting the markets in which Criticare operates; the uncertainty of regulatory approvals; the parties' ability to satisfy the tender offer and merger agreement conditions and consummate the transaction; Opto Circuits' ability to successfully integrate Criticare's operations with its existing operations; the ability to realize anticipated synergies and cost savings; and other events, factors and risks previously and from time to time disclosed in filings with the SEC, including, but not limited to, Criticare's annual report on Form 10-K for the fiscal year ended June 30, 2007.