SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

[X] Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the Quarter ended March 31, 1998.

or

[ ] Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

Commission File Number: 000-24786

ASPEN TECHNOLOGY, INC.
(exact name of registrant as specified in its charter)

Delaware	04-2739697
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

Ten Canal Park, Cambridge, Massachusetts 02141
(Address of principal executive office and zip code)

Registrant's telephone number, including area code: (617) 949-1000

Indicate by check mark whether the registrant: (1) has filed reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding twelve months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days:

Yes X No

As of March 31, 1998, there were 21,213,132 shares of the Registrant's common stock (par value $.10 per share) outstanding.

ASPEN TECHNOLOGY, INC.

QUARTERLY REPORT ON FORM 10-Q

INDEX

ASPEN TECHNOLOGY, INC.
CONSOLIDATED CONDENSED BALANCE SHEETS
(in thousands)

	3/31/98 (unaudited)	6/30/97 (audited)
CURRENT ASSETS:		
Cash and cash equivalents	$ 25,295	$ 16,091
Short-term investments	6,609	15,843
Accounts receivable, net	74,251	56,624
Current portion of long-term installments receivable, net	21,447	19,063
Prepaid expenses and other current assets	8,951	7,403
Total current assets	136,553	115,024
Long-term installments receivable, net	29,698	30,963
Equipment and leasehold improvements, at cost	64,487	47,338
Accumulated depreciation	(28,635)	(19,904)
	35,852	27,434
Computer software development costs, net	5,272	3,058
Intangible assets, net	13,574	12,768
Other assets	3,441	3,017
	$224,390	$192,264
CURRENT LIABILITIES:		
Current portion of long-term debt	$ 1,581	$ 288
Accounts payable and accrued expenses	26,278	23,284
Unearned revenue	4,822	4,294
Deferred revenue	19,110	14,372
Deferred income taxes	5,486	1,775
Total current liabilities	57,277	44,013
Long-term debt, less current maturities	3,315	462
Deferred revenue, less current portion	10,068	9,441
Other liabilities	741	942
Deferred income taxes	9,888	5,965
STOCKHOLDERS' EQUITY:		
Common stock	2,144	2,036
Additional paid-in capital	137,321	127,578
Retained earnings	4,232	2,588
Cumulative translation adjustment	(100)	(255)
Unrealized gain (loss) on investments	6	(4)
Treasury stock, at cost	(502)	(502)
Total Stockholders' Equity	143,101	131,441
	$224,390	$192,264

ASPEN TECHNOLOGY, INC.
CONSOLIDATED CONDENSED STATEMENTS OF INCOME
(Dollars in thousands, except per share data)
(unaudited)

	Three Months Ended March 31, 1998	Three Months Ended March 31, 1997	Nine Months Ended March 31, 1998	Nine Months Ended March 31, 1997
REVENUES:				
Software licenses	$36,897	$26,656	$ 90,125	$ 66,715
Maintenance and other services	26,824	21,320	74,356	60,330
Total revenues	63,721	47,976	164,481	127,045
EXPENSES:				
Cost of software licenses	1,324	1,183	4,149	3,267
Cost of maintenance and other services	15,393	12,464	43,093	35,577
Selling and marketing	19,226	14,207	50,548	38,446
Research and development	10,184	7,861	29,211	21,966
General and administrative	4,927	4,342	13,630	12,022
Charge for in-process research and development	8,472	--	8,472	8,664
One-time acquisition costs	475	--	984	--
Total costs and expenses	60,001	40,057	150,087	119,942
Income from operations	3,720	7,919	14,394	7,103
Other expense, net	(162)	--	(324)	(110)
Interest income, net	1,306	1,126	3,962	3,707
Income before provision for income taxes	4,864	9,045	18,032	10,700
Provision for income taxes	4,794	3,418	9,535	5,624
Net income	$ 70	$ 5,627	$ 8,497	$ 5,076
Diluted earnings per share	$ 0.00	$ 0.27	$ 0.39	$ 0.24
Weighted average shares outstanding-diluted	22,362	21,147	21,960	20,938
Basic earnings per share	$ 0.00	$ 0.28	$ 0.41	$ 0.26
Weighted average shares outstanding-basic	20,895	19,787	20,629	19,532

ASPEN TECHNOLOGY, INC.
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
(unaudited and in thousands)

	NINE MONTHS ENDED 3/31/98	NINE MONTHS ENDED 3/31/97
CASH FLOWS FROM OPERATING ACTIVITIES:		
NET INCOME	$ 8,497	$ 5,076
Adjustments to reconcile net income to net cash provided by operating activities (net of acquisition-related activity disclosed below):		
Depreciation and amortization	9,534	7,945
Charge for in-process research and development	8,472	8,664
Deferred income taxes	6,834	2,982
(Increase) in accounts receivable	(15,519)	(8,142)
(Increase) in installments receivable	(693)	(8,325)
(Increase) in prepaid expenses and other current assets	(609)	(2,157)
(Decrease) in accounts payable and accrued expenses	(1,368)	(883)
Increase (decrease) in unearned revenue	527	(6,780)
Increase in deferred revenue	4,392	4,145
Net cash provided by operating activities	20,067	2,525
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of equipment and leasehold improvements	(12,845)	(13,907)
Sale of investment securities	9,244	16,690
(Increase) in other long-term assets	(445)	(323)
(Increase) in computer software development costs	(2,923)	(1,482)
(Decrease) in other long-term liabilities	(201)	(2,281)
Cash used in the purchase of business, net of cash acquired	(10,689)	(5,307)
Net cash used in investing activities	(17,859)	(6,610)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Issuance of common stock under employee stock purchase plans	3,878	381
Exercise of stock options	3,864	2,299
(Payments of) long-term debt and capital lease obligations	(907)	(472)
Net cash provided by financing activities	6,835	2,208
EFFECTS OF EXCHANGE RATE CHANGES ON CASH	161	59
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	9,204	(1,818)
CASH AND CASH EQUIVALENTS, beginning of period	16,091	12,524
CASH AND CASH EQUIVALENTS, end of period	$ 25,295	$ 10,706
SUPPLEMENTAL DISCLOSURE OF CASH FLOWS RELATED TO ACQUISITIONS:		
During the nine months ended March 31, 1998, the Company acquired certain companies in poolings-of-interests transactions as described in Note 4		
These acquisitions are summarized as follows-		
Book value of assets acquired	$ 5,872	$ --
Liabilities assumed	$ 9,783	$ --
Book value of equity	(3,911)	--
	$ 5,872	$ --
During the nine months ended March 31, 1998 and 1997, the Company acquired certain companies in purchase transactions		
These acquisitions are summarized as follows-		
Fair value of assets acquired, excluding cash	$ 11,316	$ 15,982
Issuance of common stock related to acquisitions	--	(6,496)
Payments in connection with the acquisitions, net of cash acquired	(9,911)	(5,307)
Liabilities assumed	$ 1,405	$ 4,179

ASPEN TECHNOLOGY, INC.
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS
MARCH 31, 1998
(UNAUDITED)

1. BASIS OF PRESENTATION

In the opinion of management, the accompanying consolidated condensed financial statements have been prepared in conformity with generally accepted accounting principles and include all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation. The results of operations for the three and nine month periods ended March 31, 1998 are not necessarily indicative of the results to be expected for the full year. It is suggested that these interim consolidated condensed financial statements be read in conjunction with the audited consolidated financial statements for the year ended June 30, 1997, which are contained in the Company's Form 10-K, as previously filed with the Securities and Exchange Commission.

2. ACCOUNTING POLICIES

(a) Revenue Recognition

The Company recognizes revenue from software licenses upon the shipment of its products, pursuant to a signed noncancelable license agreement. In the case of license renewals, revenue is recognized upon execution of the renewal license agreement. The Company has no significant vendor obligations or collectibility risk associated with its product sales. The Company recognizes revenue from postcontract customer support ratably over the period of the postcontract arrangement. The Company accounts for insignificant vendor obligations by deferring a portion of the revenue and recognizing it either ratably as the obligations are fulfilled or when the related services are performed. If significant application development services are performed in connection with the purchase of a license, the license fees are recognized as the application development services are performed.

Service revenues from fixed-price contracts are recognized on the percentage-of-completion method, measured by the percentage of costs (primarily labor) incurred to date as compared to the estimated total costs (primarily labor) for each contract. When a loss is anticipated on a contract, the full amount thereof is provided currently. Service revenues from time-and-expense contracts and consulting and training revenue are recognized as the related services are performed.

Services that have been performed but for which billings have not been made are recorded as unbilled services, and billings that have been recorded before the services have been performed are recorded as unearned revenue in the accompanying consolidated balance sheets.

Installments receivable represent the present value of future payments related to the financing of noncancelable term license agreements that provide for payment in installments over a one- to five-year period. A portion of the revenue from each installment agreement is recognized as interest income in the accompanying consolidated condensed statements of income. The interest rates in effect for the three and nine months ended March 31, 1997 were 11% and 8.5% and for the three and nine months ended March 31, 1998 was 8.5%.

(b) Computer Software Development Costs

In compliance with Statement of Financial Accounting Standards (SFAS) No. 86, "Accounting for the Costs of Computer Software to be Sold, Leased or Otherwise Marketed", certain computer software development costs are capitalized in the accompanying consolidated condensed balance sheets. Capitalization of computer software development costs begins upon the establishment of technological feasibility and ends upon market introduction. Amortization of capitalized computer software development costs is included in cost of revenues and is provided on a product-by-product basis at the greater of the amount computed using (a) the ratio of current gross revenues for a product to the total of current and anticipated future gross revenues or (b) the straight-line method over the remaining estimated economic life of the product, not to exceed three years. Total amortization expense charged to operations in the three and nine month periods ended March 31, 1998 was approximately $275,000 and $709,000 as compared to $278,000 and $738,000 for the three and nine month periods ended March 31, 1997.

In March 1998, the American Institute of Certified Public Accountants ("AICPA") issued Statement of Position 98-1 "Accounting for the Costs of Computer Software Developed or Obtained for Internal Use" ("SOP98-1"). SOP98-1 requires computer software costs associated with internal use software to be expensed as incurred until certain capitalization criteria are met. The Company will adopt SOP98-1 prospectively beginning January 1, 1999. Adoption of this Statement will not have a material impact on the Company's consolidated financial position or results of operations.

(c) Net Income Per Share

In February 1997, the Financial Accounting Standards Board issued SFAS No. 128, Earnings Per Share. This Statement establishes standards for computing and presenting earnings per share and applies to entities with publicly traded common stock or potential common stock. SFAS 128 is effective for financial statements for both interim and annual periods ending after December 15, 1997. Basic earnings per share is calculated by dividing net income (loss) by the weighted average number of common shares outstanding for the period. Diluted earnings per share reflects the dilution of potentially dilutive securities, primarily stock options, based on the treasury stock method. As required, the Company has adopted SFAS 128 effective for the quarter ending December 31, 1997 and has restated all prior periods.

Basic and diluted weighted average shares outstanding as required by SFAS No. 128 are as follows (in thousands):

	Three Months Ended		Nine Months Ended	
	March 31, 1998	March 31, 1997	March 31, 1998	March 31, 1997
Basic weighted average shares outstanding	20,895	19,787	20,629	19,532
Weighted average common equivalent shares	1,467	1,360	_1,331	1,406
Diluted weighted average shares outstanding	22,362	21,147	21,960	20,938

(d) Investments

The Company accounts for its investments in accordance with SFAS No. 115, "Accounting for Certain Investments in Debt and Equity Securities". Under SFAS No. 115, securities purchased to be held for indefinite periods of time, and not intended at the time of purchase to be held until maturity, are classified as available-for-sale securities. Securities classified as available-for-sale are required to be recorded at market value in the financial statements. Unrealized gains and losses have been accounted for as a separate component of stockholders' equity. Investments held as of March 31, 1998 consist of $1,202,000 in money market accounts and $5,407,000 in bonds.

3. SALE OF INSTALLMENTS RECEIVABLE

The Company sold, with limited recourse, certain of its installment contracts to two financial institutions for approximately $17.1 million and $44.1 million during the three and nine month periods ended March 31, 1998. The financial institutions have partial recourse to the Company only upon non-payment by the customer under the installments receivable. The amount of recourse is determined pursuant to the provisions of the Company's contracts with the financial institutions and varies depending upon whether the customers under the installment contracts are foreign or domestic entities. Collections of these receivables reduce the Company's recourse obligations, as defined.

At March 31, 1998, the balance of the uncollected principal portion of all contracts sold was $87.7 million. The Company's potential recourse obligation related to these contracts is approximately $5.0 million. In addition, the Company is obligated to pay additional costs to the financial institutions in the event of default by the customer.

4. ACQUISITIONS

(a) Special Analysis and Simulation Technologies, Ltd. ("SAST")

On August 28, 1997, the Company acquired 100% of the outstanding shares of common stock of SAST, a vendor of dynamic simulation and operator training services and applications. The Company exchanged 288,330 shares of its common stock valued at approximately $10.2 million and paid approximately $841,000 in cash for all outstanding shares of SAST common stock. The acquisition has been accounted for as a pooling of interests. This transaction is immaterial to the Company's financial position and results of operations, and accordingly the historical financial statements have not been restated.

(b) NeuralWare, Inc.

On August 27, 1997 the Company acquired 100% of the outstanding shares of common stock of NeuralWare, Inc., a provider of neural net technology. The Company exchanged 26,502 shares of its common stock for all outstanding shares of NeuralWare, Inc. common stock. The acquisition has been accounted for as a pooling of interests. This transaction is immaterial to the Company's financial position and results of operations, and accordingly the historical financial statements have not been restated.

(c) CIMTECH S.A.-N.V. ("CIMTECH")

On February 27, 1998, the Company acquired 100% of the outstanding shares of common stock of CIMTECH, a European supplier of process information management systems. The Company exchanged 118,299 shares of its common stock valued at approximately $4.7 million, for all the outstanding shares of CIMTECH stock. The acquisition has been accounted for as a pooling of interests. This transaction is immaterial to the Company's financial position and results of operations, and accordingly the historical financial statements have not been restated.

(d) Contas Process Control S.r.L. ("Contas")

On February 27, 1998, the Company acquired 100% of the outstanding shares of common stock of Contas, a consulting firm that specializes in advanced control and optimization for the Italian petroleum refining market. The Company exchanged 21,975 shares of its common stock for all the outstanding shares of Contas. The acquisition has been accounted for as a pooling of interests. This transaction is immaterial to the Company's financial position and results of operations, and accordingly the historical financial statements have not been restated.

(e) IISYS, Inc. ("IISYS")

On March 6, 1998, the Company acquired 100% of the outstanding common stock of IISYS, a developer of advanced software technology used by process manufacturers to collect, reconcile and report yield-accounting information. The Company paid approximately $8.4 million in cash and assumed $1.6 million in debt. This acquisition was accounted for as a purchase. The portion of the purchase price allocated to in-process research and development was based upon an independent appraisal. Such in-process research and development projects had not reached technological feasibility and had no alternative future use. As a result, the Company recognized a one-time charge of approximately $8.5 million during the quarter ended March 31, 1998. The remainder of the purchase price has been allocated to various assets based on their fair values.

(f) Zyqad Limited ("Zyqad")

On March 16, 1998, the Company acquired 100% of the outstanding shares of common stock of Zyqad, a company that provides software for integrating, automating and managing workflow between engineers designing new process plants or improving existing facilities. The Company exchanged 171,337 shares of its common stock valued at approximately $6.3 million for all the outstanding shares of Zyqad. The acquisition has been accounted for as a pooling of interests. This transaction is immaterial to the Company's financial position and results of operations, and accordingly the historical financial statements have not been restated.

(g) Chesapeake Decision Sciences, Inc. ("Chesapeake")

On April 28, 1998, the Company signed a definitive agreement to purchase 100% of the outstanding stock of Chesapeake, a provider of software and services for the process manufacturing supply chain market. The Company expects to exchange approximately 2,950,000 shares of its common stock, valued at approximately $132.8 million, for all the outstanding shares of Chesapeake common stock. The acquisition is expected to be accounted for as a pooling of interests. Accordingly, the consolidated financial statements of the Company will be restated to give retroactive effect to the combination with Chesapeake. The Company expects to incur approximately $5.0 million of expenses related to this acquisition, which will be charged to operations in the quarter in which the acquisition is completed (expect to be the quarter ended June 30, 1998). Unaudited pro forma condensed statements of operations for the nine months ended March 31, 1998 are as follows (in thousands):

	Historical Aspen	Historical Chesapeake	Pro Forma Combined
Nine Months Ended March 31, 1998			
Revenues	$164,481	$13,563	$178,044
Net Income	$ 8,497	$ 1,447	$ 9,944
Diluted Earnings Per Share	$ 0.39	$ 0.49	$ 0.40
Weighted average shares outstanding	21,960	2,950	24,910

5. SHAREHOLDERS' RIGHTS PLAN

On October 9, 1997, the Board of Directors voted to adopt a Shareholders' Rights Plan (the Plan). The Plan gives certain shareholders the right to purchase additional shares, at a specified price, under certain circumstances. On March 12, 1998, the Company reincorporated in Delaware. In connection with this reincorporation, the Board of Directors voted to adopt a successor Shareholders' Rights Plan (Successor Plan). The rights of the holders' under the Successor Plan are substantially identical to the rights previously adopted, except the expiration of the Successor Plan has been extended to March 12, 2008.

ASPEN TECHNOLOGY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS OF
RESULTS OF OPERATIONS AND FINANCIAL CONDITION

RESULTS OF OPERATIONS

Revenues are derived from software licenses and maintenance and other services. Total revenues for the three and nine months ended March 31, 1998 were $63.7 and $164.5 million, respectively, an increase of 32.8% and 29.5% from $48.0 and $127.0 million in the comparable periods of fiscal 1997. Software license revenues represented 57.9% of total revenues for the three months ended March 31, 1998, as compared to 55.6% in the comparable period of fiscal 1997. Revenues from software licenses for the three and nine months ended March 31, 1998 were $36.9 and $90.1 million, respectively, an increase of 38.4% and 35.1% from $26.7 and $66.7 million in the comparable periods of fiscal 1997. The growth in software license revenues was attributable to software license renewals covering existing users, the expansion of existing customer relationships through licenses covering additional users, additional software products, and, to a lesser extent, to the addition of new customers.

Total revenues from customers outside the United States were $29.4 and $78.4 million or 46.1% and 47.7% of total revenues for the three and nine months ended March 31, 1998, respectively, as compared to $19.1 and $64.4 million or 39.8% and 50.7% of total revenues for the comparable periods in fiscal 1997. The geographical mix of license revenues can vary from quarter to quarter; however, for fiscal 1998, the overall mix of revenues from customers outside the United States is expected to be relatively consistent with the prior year.

Revenues from maintenance and other services consist of consulting services, post contract support on software licenses, training and sales of documentation. Since the acquisitions of DMCC and Setpoint (January and February 1996), the Company has continued to generate a significant amount of consulting revenues from services for the design, operation and management of process manufacturing plants. As a result, revenues from maintenance and other services for the three and nine months ended March 31, 1998 were $26.8 and $74.4 million, respectively, an increase of 25.8% and 23.2% from $21.3 and $60.3 million in the comparable periods in fiscal 1997. These increases reflect a continued focus during fiscal 1998 on providing high value-added consulting and training services to existing customers.

Neither the Company's joint venture and similar activities, nor any discounting or similar activities, have historically had a material effect on the Company's revenues.

Cost of software licenses consists of royalties, amortization of previously capitalized software costs, costs related to the delivery of software (including disk duplication and third party software costs), printing of manuals and packaging. Cost of software licenses for the three and nine months ended March 31, 1998 was $1.3 and $4.1 million, respectively, an increase of 11.9% and 27.0% from $1.2 and $3.3 million in the comparable periods of fiscal 1997. Cost of software licenses as a percentage of revenues from software licenses was 3.6% and 4.6% for the three and nine months ended March 31, 1998 as compared to 4.4%and 4.9% for the three and nine months ended March 31, 1997. The decline in these costs as a percentage of software license revenue is due to the spreading of fixed costs over a larger revenue base and the decrease in mix of revenue that has variable royalty costs.

Cost of maintenance and other services consists of the cost of execution of application consulting services, technical support expenses, the cost of training services and the cost of manuals sold separately. Cost of maintenance and other services for the three and nine months ended March 31, 1998 was $15.4 and $43.1 million, respectively, an increase of 23.5% and 21.1% from $12.5 and $35.6 million in the comparable periods in fiscal year 1997. Cost of maintenance and other services as a percentage of services revenue was 57.4% and 58.0% in the three and nine months ended March 31, 1998 and 58.5% and 59.0% in the comparable period of fiscal year 1997. This percentage decrease reflected improved efficiency in the execution of the implementation services projects.

Selling and marketing expenses for the three and nine months ended March 31, 1998 were $19.2 and $50.5 million, an increase of 35.3% and 31.5% from $14.2 and $38.4 million in the comparable periods in fiscal year 1997. As a percentage of revenues, selling and marketing expenses were 30.2% and 30.7%, respectively, for the three and nine months ended March 31, 1998 as compared to 29.6% and 30.3% for the comparable periods in fiscal 1997. The Company continued to invest in sales personnel and regional sales offices to improve the Company's geographic proximity to its customers, to maximize the penetration of existing accounts and to add new customers.

Research and development expenses consist primarily of personnel and outside consultancy costs required to conduct the Company's product development efforts. Capitalized research and development costs are amortized over three years. Research and development expenses during the three and nine months ended March 31, 1998 were $10.2 and $29.2 million, respectively, an increase of 29.6% and 33.0% from $7.9 and $22.0 million in the comparable periods of fiscal 1997. The increase in costs reflects continued investment in the development of the Company's core modeling products and a common software architecture encompassing the Company's expanded family of software products. The Company capitalized 8.9% of its total research and development costs during the three months ended March 31, 1998 as compared to 7.4% in the comparable period of fiscal year 1997.

General and administrative expenses consist primarily of salaries of administrative, executive, financial and legal personnel, outside professional fees, and amortization of certain intangibles. General and administrative expenses for the three and nine months ended March 31, 1998 were $4.9 and $13.6 million, respectively, an increase of 13.5% and 13.4% from $4.3 and $12.0 million in the comparable periods of fiscal 1997. The dollar increase principally reflected the growth in the scale and scope of the Company's operations.

In connection with the acquisition of IIsys in March 1998, approximately $8.5 million of the purchase price was allocated to in-process research and development based upon an independent appraisal. These costs were expensed as of the acquisition date (during the quarter ended March 31, 1998) as they relate to projects that had not yet reached technological feasibility and that until completion of development, have no alternative future use. These projects will require substantial additional development and testing by the Company prior to them reaching of technological feasibility. However, there can be no assurance that these projects will reach technological feasibility or develop into products that may be sold profitably by the Company.

Interest income is generated from the license of software pursuant to installment contracts for off-line modeling software and the investment of excess cash in short-term and long-term investments. Under these installment contracts, the Company offers customers the option to make annual payments for its term licenses instead of a single license fee payment at the beginning of the license term. A substantial majority of the off-line modeling customers elect to license these products through installment contracts. The Company believes this election is made principally because the customers prefer to pay for the Company's off-line modeling products out of their operating budgets, rather than out of their capital budgets. Included in the annual payments is an implicit interest charge based upon the interest rate established by the Company at the time of the license. The Company sells a portion of the installment contracts to unrelated financial institutions. The interest earned by the Company on the installment contract portfolio in any one year is the result of the implicit interest established by the Company on installment contracts and the size of the contract portfolio. Interest income was $1.4 and $4.1 million for the three and nine months ended March 31, 1998 as compared to $1.2 and $3.8 million for the comparable periods in fiscal 1997.

Interest expense is generated from interest charged on the Company's bank line of credit, notes payable and capital lease obligations. Interest expense for the three and nine months ended March 31, 1998 was $0.07 and $0.1 million as compared to $0.03 and $0.1 million in the comparable periods of fiscal year 1997.

The effective tax rate decreased for the three and nine months ended March 31, 1998 to 36.0% of pretax income, exclusive of non-recurring charges for in-process research and development from 38.0% for the comparable periods of fiscal 1997. This decrease is primarily due to utilization of various tax credits and carryforwards.

On April 28, 1998, the Company signed a definitive agreement to acquire 100% of the outstanding common stock of Chesapeake Decision Sciences, Inc. ("Chesapeake") for approximately 2,950,000 shares of common stock. This acquisition, which is expected to be accounted for as a pooling of interests, is expected to close during the quarter ended June 30, 1998. Once complete, the Company's financial statements will be restated to reflect this acquisition, and the comparisons presented herein will then be adjusted to reflect this restatement.

LIQUIDITY AND CAPITAL RESOURCES

During the nine months ended March 31, 1998, the Company's cash and cash equivalents balance increased by $9.2 million. Operations provided $20.1 million of cash during this period primarily related to net income offset in part by increases in accounts and installments receivable and decreases in accounts payable and accrued expenses.

In recent years, the Company has had arrangements to sell long-term contracts to two financial institutions, General Electric Capital Corporation ("GECC") and Sanwa Business Credit Corporation ("SBCC"). During the nine months ended March 31, 1998, installment contracts increased to $51.1 million, net of $44.1 million of installment contracts sold to GECC and SBCC. The Company's arrangements with the two financial institutions provide for the sale of installment contracts up to certain limits and with certain recourse obligations. At March 31, 1998, the balance of the uncollected principal portion of the contracts sold to these two financial institutions was $87.7 million, for which the Company has a partial recourse obligation of approximately $5.0 million. The availability under these arrangements will increase as the financial institutions receive payment on installment contracts previously sold.

The Company maintains a $30.0 million bank line of credit, expiring December 31, 1998, that provides for borrowings of specified percentages of eligible accounts receivable and eligible current installment contracts. Advances under the line of credit bear interest at a rate equal to the bank's prime rate (8.5% at March 31, 1998) plus a specified margin or, at the Company's option, a rate equal to a defined LIBOR (5.7% at March 31, 1998) plus a specified margin. The line of credit agreement requires the Company to provide the bank with certain periodic financial reports and to comply with certain financial tests, including maintenance of minimum levels of consolidated net income before taxes and of the ratio of current assets to current liabilities.

Management has initiated a Company-wide program to prepare the Company's computer systems and applications as well as the Company's product offerings for the year 2000. The Company expects to incur internal staff costs as well as consulting and other expenses related to system enhancements for the year 2000. A significant number of the Company's product offerings are currently year 2000 compliant. The Company believes the total costs to be incurred for all year 2000 related projects will not have a material impact on the future results from operations.

ASPEN TECHNOLOGY, INC.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

The Company is not a party to any pending material proceedings.

Item 2. Changes in Securities and Use of Proceeds

REINCORPORATION IN DELAWARE

On March 12, 1998, Aspen Technology, Inc. a Massachusetts corporation ("Aspen Massachusetts"), changed its state of incorporation from Massachusetts to Delaware by merging with and into Aspen Technology, Inc., a Delaware corporation and a wholly owned subsidiary of Aspen Massachusetts ("Aspen Delaware" or the "Company"). As a result of the reincorporation, each outstanding share of Common Stock, $.10 par value per share, of Aspen Massachusetts ("Aspen Massachusetts Common Stock"), including each associated right under the Rights Agreement (the "Massachusetts Rights Plan") dated as of October 9, 1997 between Aspen Massachusetts and American Stock Transfer and Trust Company, as Rights Agent, changed and converted into one fully paid and non-assessable share of Common Stock, $.10 par value per share, of Aspen Delaware ("Aspen Delaware Common Stock").

In the reincorporation, the Certificate of Incorporation and By-Laws of Aspen Delaware, which were filed as Exhibits 3.1 and 3.2, respectively, to the Company's Current Report on Form 8-K dated March 26, 1998, became the constituent instruments defining the rights of holders of Aspen Delaware Common Stock following the reincorporation.

The Company has previously reported, as defined in Rule 12b-2 under the Securities Exchange Act of 1934, as amended ("Rule 12b-2"), the general effect of the material modifications to the rights of holders of Aspen Massachusetts Common Stock effected by the adoption of the Certificate of Incorporation and By-Laws of Aspen Delaware in its Proxy Statement dated as of November 25, 1997 under the heading "II. Proposal Two--Change in the State of Incorporation from Massachusetts to Delaware--Significant Changes Caused by the Reincorporation." Accordingly, the Company is not making an additional report of that information in this Form 10-Q.

For additional information regarding changes in the Certificate of Incorporation of the Company, see "--Stockholder Rights Plan."

STOCKHOLDER RIGHTS PLAN

As a result of the reincorporation, each right outstanding under the Massachusetts Rights Plan, together with its associated share of Aspen Massachusetts Common Stock, was changed and converted into one share of Aspen Delaware Common Stock. In connection with the reincorporation, on March 12, 1998 the Board of Directors of the Company also issued rights (the "Delaware Rights") substantially equivalent to the rights previously outstanding under the Massachusetts Rights Plan. The Delaware Rights expire on March 12, 2008 unless earlier redeemed by the Company. The description and other terms of the Delaware Rights are set forth in a Rights Agreement (the "Delaware Rights Plan") dated as of March 12, 1998 between the Company and American Stock Transfer and Trust Company, as Rights Agent, filed as Exhibit 4.1 to the Company's Current Report on Form 8-K dated as of March 26, 1998 (including the Form of Certificate of Designation of Series A Participating Cumulative Preferred Stock and the Form of Rights Certificate). In connection with the adoption of the Delaware Rights Plan, the Company amended its Certificate of Incorporation on March 12, 1998 by filing a Certificate of Designation with respect to the Series A Participating Cumulative Preferred Stock issuable upon exercise of the Delaware Rights. The Delaware Rights have certain antitakeover effects and could be deemed to materially limit or qualify the rights of holders of Aspen Delaware Common Stock.

The Company has previously reported, as defined in Rule 12b-2, the general effect of the adoption of the Certificate of Designation and the issuance of the Delaware Rights upon the rights of the holders of Aspen Delaware Common Stock under the heading "Item 5. Other Events" in its Current Report on Form 8-K dated as of March 26, 1998. Accordingly, the Company is not making an additional report of that information in this Form 10-Q.

Item 5. Other Information

None

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

*3.1	Certificate of Incorporation of Aspen Technology, Inc.
3.1A	Certificate of Designation of Series A Participating Cumulative Preferred Stock of Aspen Technology, Inc.
*3.2	By-Laws of Aspen Technology, Inc.
*4.1	Rights Agreement dated as of March 12, 1998 between Aspen Technology, Inc. and American Stock Transfer and Trust Company, as Rights Agent
4.3	Form of Right Certificate

(b) Reports on Form 8-K

(1) Current Report on Form 8-K dated March 26, 1998 disclosing the change in the Company's state of incorporation from Massachusetts to Delaware and adoption of the stockholder rights plan equivalent to the stockholder rights plan previously adopted by the Massachusetts corporation.

(2) Current Report on Form 8-K dated May 6, 1998 which incorporated the Company's press release issued April 29, 1998 regarding the execution of an Agreement and Plan of Reorganization with Chesapeake Decision Sciences, Inc.

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* Incorporated by reference to the corresponding Exhibit to the Registrant's Current Report on Form 8-K dated March 26, 1998.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ASPEN TECHNOLOGY, INC.

Date: May 15, 1998 By: /s/ Mary A. Palermo

Mary A. Palermo
Executive Vice President
Chief Financial Officer

EXHIBIT 3.1A

CERTIFICATE OF DESIGNATION OF SERIES A PARTICIPATING CUMULATIVE PREFERRED STOCK

SECTION 1. DESIGNATION AND NUMBER OF SHARES

The shares of this series of Preferred Stock shall be designated as Series A participating cumulative preferred stock, $.10 par value per share ("Series A Preferred Stock"). The number of shares initially constituting the Series A Preferred Stock shall be 400,000; provided, however, that, if more than a total of 400,000 shares of Series A Preferred Stock shall be issuable upon the exercise of Rights (the "Rights") issued pursuant to the Rights Agreement dated as of March 11, 1998, between the Corporation and American Stock Transfer and Trust Company, a limited power banking trust company licensed by the New York State Banking Authority, as Rights Agent (the "Rights Agreement"), the board of directors, pursuant to Section 151(g) of the General Corporation Law of the State of Delaware, shall direct by resolution or resolutions that a certificate be properly executed, acknowledged, filed and recorded, in accordance with the provisions of Section 103 thereof, providing for the total number of shares of Series A Preferred Stock authorized to be issued to be increased (to the extent that the Certificate of Incorporation then permits) to the largest number of whole shares (rounded up to the nearest whole number) issuable upon exercise of such Rights.

SECTION 2. DIVIDENDS OR DISTRIBUTIONS

(a) Subject to the prior and superior rights of holders of shares of any other series of Preferred Stock or other class of capital stock of the Corporation ranking prior and superior to the shares of Series A Preferred Stock with respect to dividends, holders of Series A Preferred Stock shall be entitled to receive, when, as and if declared by the board of directors, out of the assets of the Corporation legally available therefor, (i) quarterly dividends payable in cash on the last day of each fiscal quarter in each year, or such other dates as the board of directors of the Corporation shall approve (each such date being referred to herein as a "Quarterly Dividend Payment Date"), commencing on the first Quarterly Dividend Payment Date after the first issuance of a share or a fraction of a share of Series A Preferred Stock, in the amount of $1.00 per whole share (rounded to the nearest cent) less the amount of all cash dividends declared on the Series A Preferred Stock pursuant to the following clause (ii) since the immediately preceding Quarterly Dividend Payment Date or, with respect to the first Quarterly Dividend Payment Date, since the first issuance of any share or fraction of a share of Series A Preferred Stock (the total of which shall not, in any event, be less than zero) and (ii) dividends payable in cash on the payment date for each cash dividend declared on the Corporation's common stock, $.10 par value per share ("Common Stock"), in an amount per whole share (rounded to the nearest cent) equal to the Formula Number (as hereinafter defined) then in effect times the cash dividends then to be paid on each share of Common Stock. In addition, if the Corporation shall pay any dividend or make any distribution on the Common Stock payable in assets, securities or other forms of noncash consideration (other than dividends or distributions solely in shares of Common Stock), then, in each such case, the Corporation shall simultaneously pay or make on each outstanding whole share of Series A Preferred Stock a dividend or distribution in like kind equal to the Formula Number then in effect times such dividend or distribution on each share of the Common Stock. As used herein, the "Formula Number" shall be 100; provided, however, that if at any time on or after March 13, 1998, the Corporation shall (i) declare or pay any dividend on the Common Stock payable in shares of Common Stock or make any distribution on the Common Stock in shares of Common Stock, (ii) subdivide (by a stock split or otherwise) the outstanding shares of Common Stock into a larger number of shares of Common Stock or (iii) combine (by a reverse stock split or otherwise) the outstanding shares of Common Stock into a smaller number of shares of Common Stock, then in each such event the Formula Number shall be adjusted to a number determined by multiplying the Formula Number in effect immediately prior to such event by a fraction, the numerator of which is the number of shares of Common Stock that are outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that are outstanding immediately prior to such event (and rounding the result to the nearest whole number); and provided further that, if at any time on or after March 13, 1998, the Corporation shall issue any shares of its capital stock in a merger, reclassification, or change of the outstanding shares of Common Stock then in each such event the Formula Number shall be appropriately adjusted to reflect such merger, reclassification or change so that each share of Series A Preferred Stock continues to be the economic equivalent of a Formula Number of shares of Common Stock prior to such merger, reclassification or change.

(b) The Corporation shall declare a dividend or distribution on the Series A Preferred Stock as provided in Section 2(a) immediately prior to or at the same time it declares a dividend or distribution on the Common Stock (other than a dividend or distribution solely in shares of Common Stock); provided, however, that, in the event no dividend or distribution (other than a dividend or distribution in shares of Common Stock) shall have been declared on the Common Stock during the period between any Quarterly Dividend Payment Date and the next subsequent Quarterly Dividend Payment Date, a dividend of $1.00 per share on the Series A Preferred Stock shall nevertheless be payable on such subsequent Quarterly Dividend Payment Date. The board of directors may fix a record date for the determination of holders of Series A Preferred Stock entitled to receive a dividend or distribution declared thereon, which record date shall be the same as the record date for any corresponding dividend or distribution on Common Stock.

(c) Dividends shall begin to accrue and be cumulative on outstanding shares of Series A Preferred Stock from and after the Quarterly Dividend Payment Date next preceding the date of original issue of such shares of Series A Preferred Stock; provided, however, that dividends on such shares which are originally issued after the record date for the determination of holders of shares of Series A Preferred Stock entitled to receive a quarterly dividend and on or prior to the next succeeding Quarterly Dividend Payment Date shall begin to accrue and be cumulative from and after such Quarterly Dividend Payment Date. Notwithstanding the foregoing, dividends on shares of Series A Preferred Stock that are originally issued prior to the record date for the determination of holders of shares of Series A Preferred Stock entitled to receive a quarterly dividend on the first Quarterly Dividend Payment Date shall be calculated as if cumulative from and after the last day of the fiscal quarter next preceding the date of original issuance of such shares. Accrued but unpaid dividends shall not bear interest. Dividends paid on the shares of Series A Preferred Stock in an amount less than the total amount of such dividends at the time accrued and payable on such shares shall be allocated pro rata on a share-by-share basis among all such shares at the time outstanding.

(d) So long as any shares of Series A Preferred Stock are outstanding, no dividends or other distributions shall be declared, paid or distributed, or set aside for payment or distribution, on Common Stock unless, in each case, the dividend required by this Section 2 to be declared on Series A Preferred Stock shall have been declared.

(e) Holders of Series A Preferred Stock shall not be entitled to receive any dividends or other distributions except as provided herein.

SECTION 3. VOTING RIGHTS

Holders of Series A Preferred Stock shall have the following voting rights:

(a) Each holder of Series A Preferred Stock shall be entitled to a number of votes equal to the Formula Number then in effect, for each share of Series A Preferred Stock held of record on each matter on which holders of Common Stock or stockholders generally are entitled to vote, multiplied by the maximum number of votes per share which any holder of Common Stock or stockholders generally then have with respect to such matter (assuming any holding period or other requirement to vote a greater number of shares is satisfied).

(b) Except as otherwise provided herein or by applicable law, holders of Series A Preferred Stock and holders of Common Stock shall vote together as one class for the election of directors and on all other matters submitted to a vote of stockholders of the Corporation.

(c) If, at the time of any annual meeting of stockholders for the election of directors, the equivalent of six quarterly dividends (whether or not consecutive) payable on any share or shares of Series A Preferred Stock are in default, the number of directors constituting the board of directors of the Corporation shall be increased by two. In addition to voting together with holders of Common Stock for the election of other directors of the Corporation, holders of Series A Preferred Stock, voting separately as a class, shall be entitled at said meeting of stockholders (and at each subsequent annual meeting of stockholders), unless all dividends in arrears have been paid or declared and set apart for payment prior thereto, to vote for the election of two directors, the holders of Series A Preferred Stock being entitled to cast a number of votes per share of Series A Preferred Stock equal to the Formula Number. Until the default in payments of all dividends which permitted the election of said directors shall cease to exist, any director who shall have been so elected pursuant to the next preceding sentence may be removed at any time, either with or without cause, only by the affirmative vote of holders of Series A Preferred Stock at the time entitled to cast a majority of the votes entitled to be cast for the election of any such director at a special meeting of such holders called for that purpose, and any vacancy thereby created may be filled by the vote of such holders. If and when such default shall cease to exist, holders of Series A Preferred Stock shall be divested of the foregoing special voting rights, subject to revesting in the event of each and every subsequent like default in payments of dividends. Upon the termination of the foregoing special voting rights, the terms of office of all persons who may have been elected directors pursuant to said special voting rights shall forthwith terminate, and the number of directors constituting the board of directors shall be reduced by two. The voting rights granted by this Section 3(c) shall be in addition to any other voting rights granted to holders of Series A Preferred Stock in this Section 3.

(d) Except as provided herein, in Section 11 or by applicable law, holders of Series A Preferred Stock shall have no special voting rights and their consent shall not be required (except to the extent they are entitled to vote with holders of Common Stock as set forth herein) for authorizing or taking any corporate action.

SECTION 4. CERTAIN RESTRICTIONS

(a) Whenever quarterly dividends or other dividends or distributions payable on the Series A Preferred Stock as provided in Section 2 are in arrears, thereafter and until all accrued and unpaid dividends and distributions, whether or not declared, on shares of Series A Preferred Stock outstanding shall have been paid in full, the Corporation shall not

(i) declare or pay dividends on, make any other distributions on, or redeem or purchase or otherwise acquire for consideration any shares of capital stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series A Preferred Stock;

(ii) declare or pay dividends on or make any other distributions on any shares of capital stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series A Preferred Stock, except dividends paid ratably on the Series A Preferred Stock and all such parity capital stock on which dividends are payable or in arrears in proportion to the total amounts to which the holders of all such shares are then entitled;

(iii) redeem or purchase or otherwise acquire for consideration shares of any capital stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series A Preferred Stock; provided that the Corporation may at any time redeem, purchase or otherwise acquire shares of any such parity capital stock in exchange for shares of any capital stock of the Corporation ranking junior (either as to dividends or upon dissolution, liquidation or winding up) to the Series A Preferred Stock; or

(iv) purchase or otherwise acquire for consideration any shares of Series A Preferred Stock, or any shares of capital stock ranking on a parity with the Series A Preferred Stock, except in accordance with a purchase offer made in writing or by publication (as determined by the board of directors) to all holders of such shares upon such terms as the board of directors, after consideration of the respective annual dividend rates and other relative rights and preferences of the respective series and classes, shall determine in good faith will result in fair and equitable treatment among the respective series or classes.

(b) The Corporation shall not permit any subsidiary of the Corporation to purchase or otherwise acquire for consideration any shares of capital stock of the Corporation unless the Corporation could, under paragraph (a) of this Section 4, purchase or otherwise acquire such shares at such time and in such manner.

SECTION 5. LIQUIDATION RIGHTS

Upon the liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, no distribution shall be made (a) to holders of shares of capital stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series A Preferred Stock unless, prior thereto, the holders of Series A Preferred Stock shall have received an amount equal to the accrued and unpaid dividends and distributions thereon, whether or not declared, to the date of such payment, plus an amount equal to the greater of (i) $10.00 per whole share and (ii) an aggregate amount per share equal to the Formula Number then in effect multiplied by the aggregate amount to be distributed per share to holders of Common Stock or (ii) to the holders of capital stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series A Preferred Stock, except distributions made ratably on the Series A Preferred Stock and all other such parity capital stock in proportion to the total amounts to which the holders of all such shares are entitled upon such liquidation, dissolution or winding up.

SECTION 6. CONSOLIDATION, MERGER, ETC.

In case the Corporation shall enter into any consolidation, merger, combination or other transaction in which shares of Common Stock are exchanged for or changed into other capital stock or securities, cash or any other property, then in any such case the then-outstanding shares of Series A Preferred Stock shall at the same time be similarly exchanged or changed into an amount per share equal to the Formula Number then in effect multiplied by the aggregate amount of capital stock, securities, cash or any other property (payable in kind), as the case may be, into which or for which each share of Common Stock is exchanged or changed. In the event both Section 2 and this Section 6 would apply to a transaction, this Section 6 shall control.

SECTION 7. NO REDEMPTION; NO SINKING FUND

(a) Series A Preferred Stock shall not be subject to redemption by the Corporation or at the option of any holder of Series A Preferred Stock; provided, however, that the Corporation may purchase or otherwise acquire outstanding shares of Series A Preferred Stock in the open market or by offer to any holder or holders of Series A Preferred Stock.

(b) Series A Preferred Stock shall not be subject to or entitled to the operation of a retirement or sinking fund.

SECTION 8. RANKING

Series A Preferred Stock shall rank junior to all other series of Preferred Stock of the Corporation, unless the board of directors shall specifically determine otherwise in fixing the powers, preferences and relative, participating, optional and other special rights of the shares of such series and the qualifications, limitations and restrictions thereof.

SECTION 9. FRACTIONAL SHARES

Series A Preferred Stock shall be issuable upon exercise of the Rights issued pursuant to the Rights Agreement in whole shares or in any fraction of a share that is one one-hundredth (1/100th) of a share or any integral multiple of such fraction that shall entitle the holder, in proportion to such holder's fractional shares, to receive dividends, exercise voting rights, participate in distributions and to have the benefit of all other rights of holders of Series A Preferred Stock. In lieu of fractional shares, the Corporation, prior to the first issuance of a share or a fraction of a share of Series A Preferred Stock, may elect (a) to make a cash payment as provided in the Rights Agreement for fractions of a share other than one one-hundredth (1/100th) of a share or any integral multiple thereof or (b) to issue depository receipts evidencing such authorized fraction of a share of Series A Preferred Stock pursuant to an appropriate agreement between the Corporation and a depository selected by the Corporation; provided that such agreement shall provide that the holders of such depository receipts shall have all the rights, privileges and preferences to which they are entitled as holders of the Series A Preferred Stock.

SECTION 10. REACQUIRED SHARES

Any shares of Series A Preferred Stock purchased or otherwise acquired by the Corporation in any manner whatsoever shall be retired and canceled promptly after the acquisition thereof. All such shares shall upon their cancellation become authorized but unissued shares of Preferred Stock, without designation as to series until such shares are once more designated as part of a particular series by the board of directors pursuant to the provisions of Section (b) of Article FOURTH of the Certificate of Incorporation.

SECTION 11. AMENDMENT

None of the powers, preferences and relative, participating, optional and other special rights of the Series A Preferred Stock as provided herein or otherwise in the Certificate of Incorporation shall be amended in any manner that would alter or change the powers, preferences, rights or privileges of the holders of Series A Preferred Stock so as to affect them adversely without the affirmative vote of the holders of at least

66 2/3% of the outstanding shares of Series A Preferred Stock, voting as a separate class; provided, however, that no such amendment approved by the holders of at least 66 2/3% of the outstanding shares of Series A Preferred Stock shall be deemed to apply to the powers, preferences, rights or privileges of any holder of Series A Preferred Stock originally issued upon exercise of the Rights after the time of such approval without the approval of such holder.

IN WITNESS WHEREOF, Aspen Technology, Inc. has caused this Certificate of Designation of Series A Participating Cumulative Preferred Stock to be executed on its behalf by its President and its Secretary as of March 12, 1998.

ASPEN TECHNOLOGY, INC.

By: /s/ Joseph F. Boston

President

Attest:

By: /s/ Stephen J. Doyle

Stephen J. Doyle
Secretary

EXHIBIT 4.3

[Form of Right Certificate]

Certificate No. [R]-_____
___________ Rights

NOT EXERCISABLE AFTER JANUARY __, 2008, OR EARLIER IF REDEEMED BY THE COMPANY. THE RIGHTS ARE SUBJECT TO REDEMPTION, AT THE OPTION OF THE COMPANY, AT $.01 PER RIGHT, ON THE TERMS SET FORTH IN THE RIGHTS AGREEMENT. RIGHTS BENEFICIALLY OWNED BY AN ACQUIRING PERSON OR AN AFFILIATE OR ASSOCIATE OF AN ACQUIRING PERSON (AS SUCH TERMS ARE DEFINED IN THE RIGHTS AGREEMENT) AND BY ANY SUBSEQUENT HOLDER OF SUCH RIGHTS ARE NULL AND VOID AND NONTRANSFERABLE.

Right Certificate

ASPEN TECHNOLOGY, INC.

This certifies that , or registered assigns, is the registered owner of the number of Rights set forth above, each of which entitles the owner, thereof, subject to the terms, provisions and conditions of the Rights Agreement dated as of March 12, 1998 (the "Rights Agreement"), between Aspen Technology, Inc., a Delaware corporation (the "Company"), and American Stock Transfer and Trust Company, a limited power banking trust company licensed by the New York State Banking Authority, as Rights Agent (the "Rights Agent"), unless the Rights evidenced hereby shall have been previously redeemed by the Company, to purchase from the Company at any time after the Distribution Date (as defined in the Rights Agreement) and prior to 5:00 p.m., Boston time, on the tenth anniversary of the date of the Rights Agreement (the "Expiration Date"), at the office of the Rights Agent, or its successors as Rights Agent, in Brooklyn, New York, one one-hundredth (1/100th) of a fully paid, nonassessable share of Series A Participating Cumulative Preferred Stock, par value $.10 per share, of the Company (the "Preferred Shares"), at a purchase price per one one-hundredth (1/100th) of a share equal to $175.00 (the "Purchase Price") payable in cash, upon presentation and surrender of this Right Certificate with the Form of Election to Purchase duly executed.

The Purchase Price and the number and kind of shares which may be purchased upon exercise of each Right evidenced by this Right Certificate, as set forth above, are the Purchase Price and the number and kind of shares which may be so purchased as of March 12, 1998. As provided in the Rights Agreement, the Purchase Price and the number and kind of shares which may be purchased upon the exercise of each Right evidenced by this Right Certificate are subject to modification and adjustment upon the happening of certain events.

If the Rights evidenced by this Right Certificate are at any time beneficially owned by an Acquiring Person or an Affiliate or Associate of an Acquiring Person (as such terms are defined in the Rights Agreement), such Rights shall be null and void and nontransferable and the holder of any such Right (including any purported transferee or subsequent holder) shall not have any right to exercise or transfer any such Right.

This Right Certificate is subject to all the terms, provisions and conditions of the Rights Agreement, which terms, provisions and conditions are hereby incorporated herein by reference and made a part hereof and to which reference to the Rights Agreement is hereby made for a full description of the rights, limitations of rights, obligations, duties and immunities hereunder of the Rights Agent, the Company and the holders of the Right Certificates. Copies of the Rights Agreement are on file at the above-mentioned office of the Rights Agent and are also available from the Company upon written request.

This Right Certificate, with or without other Right Certificates, upon surrender at the stock transfer or corporate trust office of the Rights Agent, may be exchanged for another Right Certificate or Right Certificates of like tenor and date evidencing Rights entitling the holder to purchase a like aggregate number and kind of shares as the Rights evidenced by the Right Certificate or Right Certificates surrendered shall entitle such holder to purchase. If this Right Certificate shall be exercised in part, the holder shall be entitled to receive upon surrender hereof another Right Certificate or Right Certificates for the number of whole Rights not exercised.

Subject to the provisions of the Rights Agreement, the Rights evidenced by this Right Certificate may be redeemed by the Company at its option at a redemption price (in cash or shares of Common Stock or other securities of the Company deemed by the Board of Directors to be at least equivalent in value) of $.01 per Right (which amount shall be subject to adjustment as provided in the Rights Agreement) at any time prior to the earlier of (i) such time as a Person becomes an Acquiring Person and (ii) the Expiration Date.

The Company may, but shall not be required to, issue fractions of Preferred Shares or distribute certificates which evidence fractions of Preferred Shares upon the exercise of any Right or Rights evidenced hereby. In lieu of issuing fractional shares, the Company may elect to make a cash payment as provided in the Rights Agreement for fractions of a share other than one one-hundredth (1/100th) of a share or any integral multiple thereof or to issue certificates or utilize a depository arrangement as provided in the terms of the Rights Agreement and the Preferred Shares.

No holder of this Right Certificate shall be entitled to vote or receive dividends or be deemed for any purpose the holder of the Preferred Shares or of any other securities of the Company which may at any time be issuable on the exercise hereof, nor shall anything contained in the Rights Agreement or herein be construed to confer upon the holder hereof, as such, any of the rights of a stockholder of the Company, including, without limitation, any right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or to give or withhold consent to any corporate action, or to receive notice of meetings or other actions affecting stockholders (except as provided in the Rights Agreement), or to receive dividends or other distributions or subscription rights, or otherwise, until the Right or Rights evidenced by this Right Certificate shall have been exercised as provided in accordance with the provisions of the Rights Agreement.

This Right Certificate shall not be valid or obligatory for any purpose until it shall have been counter signed by the Rights Agent.

WITNESS the facsimile signature of the proper officers of the Company and its corporate seal.

Dated as of:

ASPEN TECHNOLOGY, INC.

By:

Name:
Title:

Attest:

- ------------------------------------
Name:
Title:

Countersigned:

American Stock Transfer and Trust Company
as Rights Agent,

By:

Authorized Signatory

[On Reverse Side of Right Certificate]

FORM OF ELECTION TO PURCHASE

(To be executed by the registered holder if such holder desires to exercise the Rights represented by this Right Certificate.)

To the Rights Agent:

The undersigned hereby irrevocably elects to exercise ____________ Rights represented by this Right Certificate to purchase the Preferred Shares (or other shares) issuable upon the exercise of such Rights and requests that certificates for such shares be issued in the name of:

Please insert social security
or other identifying number

- ----------------------------------

(Please print name and address)

- ----------------------------------

If such number of Rights shall not be all the Rights evidenced by this Right Certificate, a new Right

Certificate for the balance remaining of such Rights shall be registered in the name of

and delivered to:

Please insert social security
or other identifying number

- --------------------------------

(Please print name and address)

- ---------------------------------

Dated:___________, ____

Signature

Signature Guaranteed:

NOTICE

The signature on the foregoing Form of Election to Purchase must correspond to the name as written upon the face of this Right Certificate in every particular, without alteration or enlargement or any change whatsoever.

5

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 1997 INCLUDED IN THE COMPANY'S FORM 10-K FOR SUCH PERIOD AND THE CONDENSED FINANCIAL STATEMENTS AS OF MARCH 31, 1998 INCLUDED IN THE COMPANY'S FORM 10-Q FOR SUCH PERIOD AND IS QUALIFED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

1,000
U.S. DOLLARS

9-MOS
JUN-30-1998
JUL-01-1997
MAR-31-1998
1
25,295
6,609
74,251
0
0
136,553
64,487
(28,635)
224,390
57,277
0
0
0
2,144
140,957
224,390
90,125
164,481
4,149
47,242
29,211
0
0
18,032
9,535
14,394
0
0
0
8,497
.41
.39

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 1997 INCLUDED IN THE COMPANY'S FORM 10-K FOR SUCH PERIOD AND THE CONDENSED FINANCIAL STATEMENTS AS OF DECEMBER 31, 1997 INCLUDED IN THE COMPANY'S FORM 10-Q FOR SUCH PERIOD AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

1,000
U.S. DOLLARS

6-MOS
JUN-30-1998
JUL-01-1997
DEC-31-1997
1
15,524
13,154
65,200
0
0
123,947
57,891
(24,711)
209,917
47,514
0
0
0
2,090
139,041
209,917
53,228
100,760
2,825
30,525
19,027
0
0
13,168
4,741
10,674
0
0
0
8,427
.41
.39

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 1997 INCLUDED IN THE COMPANY'S FORM 10-K FOR SUCH PERIOD AND THE CONDENSED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 1997 INCLUDED IN THE COMPANY'S FORM 10-Q FOR SUCH PERIOD AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

1,000
U.S. DOLLARS

3-MOS
JUN-30-1998
JUL-01-1997
SEP-30-1997
1
12,272
14,895
57,887
0
0
114,213
54,247
(22,363)
196,724
46,759
0
0
0
2,077
129,602
19,724
21,783
44,287
1,263
14,432
9,431
0
0
2,719
979
1,407
0
0
0
1,740
.09
.08

5

1,000
U.S. DOLLARS

OTHER
JUN-30-1997
JUL-01-1996
MAR-31-1998
1
16,091
15,843
56,624
0
0
115,024
47,338
(19,904)
192,264
44,013
0
0
0
2,036
129,405
192,264
97,240
180,299
4,538
53,240
31,153
0
0
22,754
9,599
17,792
0
0
0
13,155
.67
.63

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED CONDENSED FINANCIAL STATEMENTS AS OF MARCH 31, 1997 INCLUDED IN THE COMPANY'S FORM 10-Q FOR SUCH PERIOD, AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

1,000
U.S. DOLLARS

9-MOS
JUN-30-1997
JUL-01-1996
MAR-31-1997
1
10,706
21,871
55,306
0
0
106,811
43,153
(17,717)
175,372
46,178
586
0
0
1,998
112,151
175,372
66,715
127,045
3,267
38,844
21,966
0
0
10,700
(5,624)
5,076
0
0
0
5,076
.26
.24

5

1,000
U.S. DOLLARS

6-MOS
JUN-30-1997
JUL-01-1996
DEC-31-1996
1
6,241
39,032
53,735
0
0
103,406
38,398
(15,645)
165,209
42,165
619
0
0
995
106,783
165,209
40,059
79,069
2,084
25,197
14,105
0
0
1,655
(2,206)
(551)
0
0
0
(551)
(0.03)
(0.03)

5

1,000
U.S. DOLLARS

3-MOS
JUN-30-1997
JUL-01-1996
SEP-30-1996
1
13,050
33,086
47,149
0
0
107,374
32,803
(13,445)
157,163
37,905
679
977
0
0
101,299
157,163
16,131
34,868
816
11,945
6,964
0
0
2,275
865
1,410
0
0
0
1,410
0.07
0.07

5

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM STATEMENTS OF INCOME, CONSOLIDATED BALANCE SHEET, STATEMENTS OF CASH FLOW AND STATEMENTS OF STOCKHOLDERS' EQUITY FOR FISCAL YEAR ENDED JUNE 30, 1996 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

1,000
U.S. DOLLARS

YEAR
JUN-30-1996
JUL-01-1995
JUN-30-1996
1
9,005
42,078
38,737
(731)
0
112,109
28,764
(11,949)
160,167
43,192
706
0
0
969
98,866
160,167
65,644
103,609
3,476
26,425
20,208
(200)
(377)
(9,571)
5,614
(11,701)
0
0
0
(15,185)
(0.96)
(0.96)