

INTRINSYC ANNOUNCES SUCCESSFUL LAUNCH OF NEW MARKETING PROGRAM

February 10, 1999 - Intrinsyc Software, Inc. -VSE:ICS (the "Company") is pleased to announce today the successful launch of its DECF_® (Distributed Embedded Computing Framework) Partnership Program, which has become the primary marketing initiative for the Company's products and services. The Intrinsyc DECF Partnership Program was created to address the needs of Original Equipment Manufacturers (OEMs) who are developing innovative new products based on Intrinsyc's leading edge technologies for the rapidly growing Internet-enabled Information Appliance market segment. Program details are available at http://www.intrinsyc.com/embeddedsolutions/decf.html

The Intrinsyc DECF Partnership Program has been designed to provide OEMs and System Integrators with the DECF software technologies, developer tools and the technical assistance they require to successfully and quickly deploy their next generation embedded systems with superior Internet-enabled capabilities. From a revenue perspective, this program has a minimum project commitment of US\$100,000. The Company's current experience indicates that DECF related contract awards will provide a 12 to 18 month revenue stream from US\$250,000 to greater than US\$2,000,000 per OEM project. Intrinsyc is in detailed contract negotiations with a number of its DECF partners and expects to announce a significant contract award in March 1999.

The competitiveness of the embedded computing industry and the immense advantages available to OEMs who are first-to-market require Intrinsyc to sign non disclosure agreements that do not allow specific disclosure of individual contract awards. However, Intrinsyc shareholders may monitor corporate growth and progress via the DECF Partner website (http://www.intrinsyc.com/partners/decf/) which goes on line on February 12, 1999, listing some of the current DECF Partners. DECF Partner listings will be added as new OEMs and Systems Integrators join this program.

As one of the acknowledged technology leaders in the Embedded Systems marketplace, Intrinsyc's customers have told the Company that improving Time-to-Market is a key requirement for their next generation of Internet-enabled Information Appliance development programs which are based upon the Windows $CE_{\mathbb{R}}$ operating system (<u>http://www.microsoft.com/windowsce</u>). A leading market research group, VDC predicts that the number of embedded devices shipping with Windows $CE_{\mathbb{R}}$ will grow from 778,000 units in 1999 to 14.1 Million units in 2003 (<u>http://www.vdc-corp.com</u>).

"Our customers and prospects are coming to Intrinsyc because we have gained industry leading "best-in-class" status for Windows $CE_{\mathbb{R}}$ development projects. Our ability to deliver elegant software solutions using our unique DECF software technologies, developer tools and consulting services provides OEMs with Time-to-Market advantages that can add \$ Millions to their product sales" says Don Sutcliffe, Executive Vice President, Sales and Marketing.

Intrinsyc Software, Inc. (VSE:ICS) develops software technologies for license and offers supporting services to OEMs and Systems Integrators building the next generation of Internet enabled consumer and commercial computing products. For more information, contact Intrinsyc at <u>info@intrinsyc.com</u> or World Wide Web Page: <u>http://www.intrinsyc.com</u>.

This News Release may contain forward-looking statements relating to future results, performance, plans, events or other matters. Such statements involve numerous risks and uncertainties, including, but not limited to, risks and uncertainties pertaining to development of the Company's products and services and markets for such products and services, the timing and level of customer orders, competitive products and services and pricing, changes in economic conditions and the markets for the Company's products and services and other risks and uncertainties. Actual results, performance and events may differ materially. Readers are cautioned not to place undo reliance on these forward-looking statements, which speak only as of the date of this News Release. The Company undertakes no obligation to release revisions to these forward-looking statements to reflect events or circumstances after the date of this News Release.

On Behalf of the Board Intrinsyc Software Inc.

Derek Spratt President & CEO