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Intrinsyc Completes Acquisition of NMI Electronics

Vancouver, BC, June 26, 2002 - Intrinsyc Software, Inc. (TSX:ICS), today announced the acquisition of all the outstanding shares of NMI Electronics Ltd., a privately held company.

NMI is a leader in the development of Windows CE-based products, PDA and smart phone solutions, and a Microsoft Windows Embedded Gold Partner. The acquisition extends Intrinsyc's product offering and technology competencies, provides excellent cross-selling opportunities, and expands sales distribution channels in Europe and Asia.

Intrinsyc will pay an initial cash consideration of CAD\$6 million, with subsequent payments on the first and second anniversaries of the deal signing, contingent upon NMI achieving certain performance-oriented criteria. To achieve the additional performance-based payouts of CAD\$9 million, NMI will have to achieve revenues of CAD\$7.1 million in year one, and CAD\$8.6 million in year two. The second and third payments may consist of a combination of Intrinsyc shares and cash, to be determined at a future date.

"This deal demonstrates our commitment to building long-term value for Intrinsyc shareholders, and is consistent with our business strategy to secure additional market share and expand our international presence," said Neil McDonnell, President and Chief Executive Officer, Intrinsyc Software, Inc. "We are very excited to welcome NMI and their team to the Intrinsyc family," added McDonnell.

NMI brings significant complementary technology and cross-platform expertise to Intrinsyc, which immediately expands sales opportunities for the Company. NMI has considerable experience implementing multi-processor platforms such as Intel, Hitachi, Texas Instruments, Toshiba and Samsung, and extensive expertise in wireless and mobile telephony solutions. Combined, the two companies are now able to offer customers a broad depth of experience in multi-processor and multi-OS (operating system) platforms, including Microsoft and Linux embedded solutions.

Intrinsyc will integrate NMI into its operations, with Alan Scott leading the European business unit, reporting to Neil McDonnell. Key NMI principles have signed long-term employment contracts with Intrinsyc and all NMI employees will be retained by the company.

For more information on this acquisition, including an FAQ, please go to www.intrinsyc.com/go/nmi.

News Release



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NMI Fast Facts

Founded in 1987 and located in Birmingham, England, NMI had annualized revenues of CAD\$4.4M in Fiscal 2001 and 35 employees. With more than 15 years of embedded hardware and software design to its credit, NMI has become a leader in the development of Windows CE-based products, PDA and smart phone solutions. Recognized by Microsoft as a Most Valuable Windows Embedded Partner, NMI has aligned itself with industry leaders such as Texas Instruments, Hitachi and Xilinx, and has a customer list that includes multinationals in Europe, USA and Asia.

About Intrinsic

Recently recognized by Profit magazine as the fourth fastest growing company in Canada, Intrinsic provides unique software and hardware solutions that enable companies to cost-effectively create, network and manage a wide range of consumer and industrial devices. By leveraging Intrinsic's products and expertise, customers make better decisions, improve productivity, and reduce their risk, cost and time-to-market. Intrinsic is a rapidly growing, public company with global customers such as General Electric, Ford, Intel, Microsoft, Siemens and BEA Systems. To find out more about Intrinsic's solutions, visit www.intrinsic.com.

Forward Looking Statements

This press release may contain forward-looking statements that involve risks and uncertainties. These forward-looking statements relate to, among other things, plans and timing for the introduction or enhancement of our services and products, statements about future market conditions, supply and demand conditions, and other expectations, intentions and plans contained in this press release that are not historical fact. Our expectations regarding future revenues depend upon our ability to develop and supply products, which we do not produce today and that meet defined specifications. When used in this press release, the words "plan," "expect," "believe," and similar expressions generally identify forward-looking statements. These statements reflect our current expectations. They are subject to a number of risks and uncertainties, including, but not limited to, changes in technology and changes in the pervasive computing market. In light of the many risks and uncertainties surrounding the pervasive computing market, you should understand that we couldn't assure you that the forward-looking statements contained in this press release will be realized. The Company disclaims any intent or obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise.

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