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INTRINSYC SIGNS LICENSING AGREEMENTS WITH FORTUNE 1000 COMPANIES

August 27, 1998 – Intrinsic Software, Inc. (the “Company”) is pleased to announce that it has entered into multiyear software licensing agreements for its Rainbow® Web Server, Web Server Plug-ins, and its WinFT® fault detection and correction technologies, with among others, Philips Electronics, PictureTel Corporation, Intermec Technologies Corporation, and Centigram Communications Corporation. The terms of these agreements include upfront payment fees in addition to per unit license fees for each software component provided to them by Intrinsic.

Intrinsic’s Rainbow V2.0, is the industry’s leading web server technology for Microsoft’s Windows CE® operating system, and enables Original Equipment Manufacturers (OEMs) to offer extensive web based solutions with their next generation Windows CE-based products. Intrinsic’s WinFT technology delivers fault detection and correction features for Windows CE and Windows NT® applications. WinFT was designed for developers and administrators of networked fault tolerant Windows based products.

Derek Spratt, President & CEO of Intrinsic Stated, “These companies are leading the *Embedded Internet* technology wave by introducing advanced new Internet/Intranet communications features into some of their consumer and commercial electronics product lines. We are pleased that they are working with Intrinsic to address their *Embedded Internet* communications technology requirements for the product lines specified in these agreements.”

Philips Electronics (NYSE:PHG) is one of the world's largest electronics companies, with sales in 1997 of US\$ 39.2 billion; It employs 267,200 people in over 60 countries; It makes products ranging from Compact Disc players to light bulbs, and security systems to semiconductors. For more information on Philips, please reference their World Wide Web site at: <http://www.philips.com>

PictureTel Corporation (NASDAQ: PCTL) is the world leader in developing, manufacturing and marketing a full range of video conferencing solutions. The company’s systems meet customers’ collaboration needs from the desktop to the boardroom. PictureTel also markets network conferencing servers and a comprehensive portfolio of enterprise-wide services. PictureTel collaboration products and services eliminate the barrier of distance, enabling people to be *Anywhere Now*™. For more information on Pictertel, please reference their World Wide Web site at: <http://www.pictel.com>

Intermec Technologies Corporation, a UNOVA (NYSE:UNA) company, is a global leader in the development, manufacture and integration of automated data collection and mobile computing systems. The company's products and services are used by customers in multiple industries to improve productivity, quality and responsiveness of business operations, from supply chain management and enterprise resource planning to field sales and service. For more information on Intermec, please reference their World Wide Web site at: <http://www.intermec.com>

Centigram Communications Corporation (NASDAQ: CGRM) is a leading global provider of advanced wireless and wireline messaging and communications solutions to network operators in the telecom service provider market. Centigram leverages its voice messaging, call processing and multi-media know-how to deliver easily configurable, integrated systems that provide competitive, revenue-generating enhanced services, minimizing the overall cost of ownership. For more information on Intermec, please reference their World Wide Web site at: <http://www.centigram.com>.

Intrinsyc Software, Inc. (NASDAQ: ISYRF, VSE:ICS) and Annabooks Software LLC (dba "Annasoft Systems" and "Annabooks" of San Diego, CA) have signed a Definitive Agreement to merge and form Intrinsyc, Inc., a Delaware registered company, subject to regulatory and shareholder approvals. This combined company will be the world's leading supplier of Microsoft operating systems, software tools, and value-added products to the embedded market. For more information on Intrinsyc, please contact us at info@intrinsyc.com or via our new World Wide Web site at: <http://www.intrinsyc.com> or call (800) 474-7644.

On Behalf of the Board
Intrinsyc Software Inc.

Derek Spratt
President & CEO