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**esmertec acquires Insignia JVM business assets
and becomes master distributor of Insignia's Java
Virtual Machine solution**

**esmertec and Insignia collaborate to deliver Over-the-Air Repair™
capabilities for mobile terminals**

Zurich, Switzerland, February 11, 2003 * * * esmertec AG

(www.esmertec.com), the leading global supplier of embedded Java™ virtual machines (JVMs) for the mobile world, and Insignia Solutions today announced an agreement whereby esmertec acquires the Insignia JVM related assets with the exception of Jeode Intellectual Property. esmertec will assume the entire JVM business through a final asset purchase in June 2004. esmertec and Insignia will also work together to proliferate Insignia's Secure System Provisioning technology to esmertec's customers and markets.

Insignia Solutions is a market-share leading supplier of JVM software solutions for high-growth markets including mobile, digital TV, telematics and embedded systems and has partnerships with many key industry players. This acquisition strengthens and consolidates esmertec's leadership position in providing Java solutions for mass market mobile and embedded devices.

Combining the esmertec and Insignia customer bases as well as best-in-class compiling technologies provides the mobile industry with a best-of-breed solution.

“This acquisition makes perfect sense from a number of perspectives”, said Alain Blancquart, CEO of esmertec. “The combined R&D team will be the largest and most experienced in the industry, allowing us to continue to deliver world-class solutions to our partners and customers”.

“In addition to this we will be able to extend esmertec’s market reach by building on the strong position that Insignia has in the PDA, industrial and automotive markets. I am truly delighted by this deal and am excited about the future”, he concluded.

Commenting on the complimentary compiling technologies of the two companies, Hansruedi Heeb, esmertec’s President and CTO, said: “We are excited by the prospect of combining the brainpower of the two leading engineering teams in compiling J2ME CLDC solutions and we look forward to strengthening our leadership in the entire embedded Java space thanks to Insignia’s outstanding and proven technology”.

With the sale of Insignia’s JVM business to esmertec, Insignia is refocusing on its highly successful Secure System Provisioning product line. The two companies have agreed to work together to deliver an end-to-end Over-the-Air Repair solution leveraging the complimentary strengths of the two companies. In addition, Insignia will gain a highly leverage entry into esmertec’s customer base and markets with this solution.

“We are delighted to have reached an agreement with esmertec”, said Mark McMillan, President and COO of Insignia. “This acquisition makes esmertec the leading worldwide provider of mobile services enabling software in the industry and the infusion of cash to Insignia enables us to exclusively focus on the significant market opportunity for Secure System Provisioning – it’s a win-win situation for both companies”.

About esmertec

esmertec is the leading software company focusing on Java™ and mobile software technologies for handheld systems. Considered to be one of the most important players in the independent VM supplier space, its flagship product, Jbed™ ME, certified by Sun Microsystems, delivers high performance computing on small devices to service providers, mobile device manufacturers and application developers. Founded in 1999, esmertec is based in Switzerland with

sales, engineering and support offices in the United States and Singapore and representation in Japan.

About Insignia Solutions

Insignia Solutions' provisioning-infrastructure software enables wireless carriers and mobile device manufacturers to fully capitalize on the mobile service opportunity. Founded in 1986, Insignia is a market-share leading supplier of Java virtual machine software solutions for high-growth markets including mobile, digital TV, telematics, and embedded systems. More than 40 million units of Insignia's JVM™ technology are licensed by major partners including Samsung, HP/Compaq, BSQUARE, Wind River, Fujitsu, NEC, Toshiba, Motorola and Siemens AG. Insignia Solutions is traded on NASDAQ under the symbol INSG. The company is headquartered in Fremont, California with R&D and European operations based in the United Kingdom, and its Asian HQ in Japan. For additional information about Insignia or its products please visit <http://www.insignia.com>.

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