



PRECIDIA
TECHNOLOGIES

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Precidia Technologies teams up with Cisco Systems Canada

Joint marketing relationship to combine strengths
for IP based offering to Canadian retailers

Ottawa, Canada, August 8, 2001 – Precidia Technologies Inc. announced today a business relationship with Cisco Systems Canada to market solutions to help Canadian retailers reduce networking costs and increase the functionality of their existing Point of Sale (POS) equipment.

The solution combines the strength of Cisco's network router technology with Precidia's access devices targeted to the retail payments industry. By coupling products from both companies, merchants may recognize savings in their current communications costs, while harnessing the benefits of new and exciting services for customer retention and loyalty.

"This relationship is a natural fit for Cisco," said Nitin Kawale, Director of Operations, Enterprise Sales, Cisco Systems Canada. "Cisco prides itself on providing end-to-end enterprise network solutions. With Precidia's access devices complementing Cisco network products, we create an excellent team that makes end-to-end retail solutions a reality. We admire Precidia's in-depth understanding of the protocols and needs of the POS market. Together we provide a solution to merchants that maximizes their return on investment, while reducing the risk and complexity in migrating to a new IP network."

Deepak Wanner, President of Precidia Technologies, says the solution is geared to the needs of Canadian retailers. "Until now retailers have been reluctant to implement IP technology because of the cost of replacing aging legacy equipment. Precidia makes the older equipment part of the new solution. Together Precidia and Cisco offer existing retail equipment a new lease on life by migrating it onto modern IP networks. Overcoming this hurdle is only the beginning; the future holds an even stronger value proposition as new services are brought to the checkout counter, from the advanced network connectivity solutions that Cisco and Precidia are offering," said Mr. Wanner.

Retailers have already begun to take advantage of the bundled offering. Chapters, Canada's largest bookseller, deployed Precidia's Ether3201 product with their Cisco Powered IP VPN in over 78 of its locations. Anuj Jaitly, Manager, Communications Services, Chapters Inc, says "The solution has performed flawlessly since its deployment in Fall 2000. Installation was simple and seamless to existing systems, allowing Chapters to substantially reduce our communications costs while enhancing our network management capability."

About Precidia Technologies

Precidia Technologies Inc., based in Ottawa, Canada, is a global leader in the design and manufacture of IP enabling technologies for a wide range of industries, including retail payments. Precidia's advanced IP technology seamlessly migrates retail payment terminals and other equipment onto more sophisticated IP networks. Precidia's unique product line consists of cost-

effective access devices, both wired and wireless, and chip technology. For more information, visit Precidia on the Web at <http://www.precidia.com>

About Cisco Systems Canada

Cisco Systems is the worldwide leader in networking for the Internet. Established in 1990, Cisco Systems Canada Co. has over 375 employees across Canada dedicated to sales and service. In addition, Cisco has approximately 400 employees at its research and development site in Ottawa, Ontario.

The Internet is changing the way people work, live, learn and play - and Cisco Systems is a primary agent of this change and a compelling example of the power of this revolution. By widely deploying business solutions based on the Internet, Cisco Systems realizes over \$1.35 billion (US) per year in saved operating costs and increased productivity Cisco produces networking solutions for enterprise organizations, service providers and small/emerging businesses. Additional information on the company and its products can be found at <http://www.cisco.com/ca>.