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PDSi Wins Second Design Engagement with AMD

Continuing Collaboration to Build Embedded Design Ecosystem

COLUMBUS, Ohio (August 29, 2007) Pinnacle Data Systems, Inc. (PDSi) (AMEX: PNS) announced that it has teamed with AMD (NYSE: AMD) to develop a new Reference Design Kit (RDK). This RDK will help OEM designers incorporate AMD Sempron™ and AMD Turion™ processors into embedded computing systems built around COM Express™, a rapidly emerging computer-on-module board standard.

PDSi will market this COM Express product and customization services independently. AMD's sales channel plans to demonstrate these RDK boards and provide associated documentation to prospective OEMs as reference design samples, with the intent of accelerating OEM development cycles. AMD has been working with ecosystem solution partners to provide RDKs through similar co-development engagements. In 2006, PDSi delivered an RDK to AMD which demonstrated the world's first commercially available multi-processor AdvancedTCA® compute blade design using the AMD Opteron™ processor.

"As an AMD Gold level Solution Provider, PDSi is delighted to be involved in this program," said Michael Darnell, PDSi's Vice President of Global Sales and Marketing. "We see a great opportunity to further our productive collaboration with AMD by enabling a new growth segment for embedded designs featuring leading-edge AMD technologies."

Greg White, AMD's Vice President and General Manager, Desktop and Embedded Divisions, stated, "This new RDK will appeal to a broad set of OEMs who see COM Express as a compelling way to extend the life of their equipment designs. We value the

customization capabilities that PDSi brings to help these customers shape their unique solutions around AMD's embedded processors and chipsets.”

The COM Express standard is managed by PICMG, a consortium of over 450 companies who collaboratively develop open specifications for high performance telecommunications and industrial computing applications. A computer-on-module (COM) design places all of the core computing components (including processor, chipset, and memory) on a small modular plug-in board that can be made standard across a wide range of applications. Customization of I/O resources, port locations, and physical form factor is effected through a companion “base board” that carries the COM. For OEMs, this safeguards their R&D investment and provides a simple mechanism for upgrades. For their customers, this translates to reduced risk and helps lower cost of ownership. The COM Express standard was released in late-2004.

About PDSi

PDSi provides computer design, production, and repair services to original equipment manufacturers who build computers into their products in industries including medical equipment, telecommunications, defense and imaging. PDSi also helps major computer platform manufacturers respond to customer requirements for customized solutions and extended service life. PDSi specializes in areas where these OEMs often get little help from larger outsource firms, solving the challenges associated with complex technologies, low to medium volume production, and long-term service of third party products.

Not simply a repair depot or a contract manufacturer, PDSi represents a more collaborative and flexible outsourcing partner who helps its clients manage costs, meet unplanned demand changes, improve customer satisfaction, and respond aggressively to new trends in the technology market place. With its innovative and proactive staff of engineering, manufacturing, program management and supply chain specialists, PDSi tailors solutions that meet the particular business and operational needs of each OEM. For more information, visit the PDSi website at www.pinnacle.com.

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