



**Pinnacle
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Inc.**

FOR IMMEDIATE RELEASE
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PDSi Announces Continuation of Sun-based CompactPCI

New Blade Fills Void for OEMs Committed to Solaris SPARC Platform

COLUMBUS, Ohio (December 9, 2008) Pinnacle Data Systems, Inc. (PDSi) (NYSE Alternext: PNS) today announced its plans to deliver a new Sun UltraSPARC® T2-based CompactPCI® (cPCI) compute blade for OEMs who require ongoing support for their Solaris-based solutions. The new CPT2-S1 blade from PDSi features the latest multi-core UltraSPARC T2 processor technology from Sun Microsystems (Sun) in a 6U cPCI form factor and is targeted at applications previously using now-obsolete Sun CP2140 and CP2160 blades.

Earlier in 2008, Sun discontinued manufacture of these legacy boards along with the rest of its cPCI product line. Under license from Sun, PDSi will now deliver a replacement cPCI blade based on current Sun processor technology and engineered to be a convenient substitute for OEMs previously using Sun cPCI blades. Systems originally engineered around the Sun CP2140 and CP2160 blades will be able to use the new CPT2-S1 blade from PDSi as a drop-in replacement, while new system designs can take full advantage of the modern high speed interfaces available on this board.

“Many customers were surprised when Sun discontinued their CompactPCI line a few months ago,” said Michael Darnell, VP of Global Sales and Marketing. “PDSi is helping to fill the void for those solution providers who aren’t able to migrate their cPCI systems to another architecture in the near term. Our CPT2-S1 product family will provide long-term platform viability for these customers.”

CPT2-S1 evaluation units are anticipated during the first quarter of 2009 followed by general availability in the second quarter of 2009.

About PDSi

PDSi is a global provider of specialized embedded computing products. We offer a wide range of technology platforms including standard and custom-designed products for the telecom, defense/aerospace, medical, semiconductor, industrial automation and IT markets. Our product capabilities range from board-level designs to globally-certified, fully integrated systems. Our specialties include long-life, embedded products and unique, customer-centric solutions.

In addition to our product offerings, PDSi provides a variety of engineering and manufacturing services for global OEMs requiring custom product design, system integration, repair programs, warranty management, and specialized production capabilities. With service centers in the U.S., Europe and Asia we ensure seamless support for solutions all around the world.

PDSi's turn-key technical programs help our customers bring their solutions to market faster and provide comprehensive service for the lifecycle of their products.

For more information, visit the PDSi website at www.pinnacle.com.

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