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IMS Receives 2007 Frost & Sullivan Award for Product Innovation in Telematic Services

Award Recognizes IMS' Contribution to Automotive Telematics

Waterloo, Ontario, Canada – June 4, 2007 - Intelligent Mechatronic Systems Inc. (IMS), a world leader in telematics and automotive safety solutions, announced today that Frost & Sullivan, a global growth consulting company, named IMS as the recipient of its 2007 North American Telematic Services Award for Product Innovation. The award recognizes IMS for its achievement in the development of groundbreaking telematics technologies for the automotive industry, in particular its iLANE™, DriveSync™ and iPAID™ solutions.

iLANE™ is the world's first in-vehicle email solution to provide mobile connectivity in a way that puts the driver's safety first. Its hands-free and eyes-free design provides you with voice-based access to information on your handheld such as email, phone, calendar, SMS, text attachments and more. iLANE is also the world's first mobile email solution to process information locally within the vehicle. Other solutions rely on a remote server to convert email into voice/audio files. You're then required to 'dial in' to the server to listen to your new email. Because iLANE does not use or require a server, all data is communicated directly between iLANE and your handheld device. Your email is read to you immediately and automatically.

IMS' other telematics solutions, DriveSync and iPAID, share the same proprietary GPS vehicle tracking technology, but their applications are distinct. iPAID is a complete turn-key GPS solution that provides conclusive driving data for use in pay-as-you-drive (PAYD) insurance offerings as well as government programs such as road pricing, driver licensing, congestion relief and CO2 emissions reductions. By contrast, DriveSync is a commercial GPS vehicle tracking solution that can help fleet owners to increase productivity, reduce operating costs and improve driver safety. DriveSync and iPAID also utilize the same safety-centric telematics technology that is the foundation of all IMS solutions.

"To be recognized by an organization as respected as Frost and Sullivan speaks volumes about the significance of this award and all it represents", says Dr. Otman Basir, President and CEO of IMS. "We are honored to receive this award, which is the result of many years of hard work, a passion for excellence in automotive safety, and a dedication to advance the telematics industry and better serve our customers."

"IMS not only provides cost-effective products, but also offers rich, value-added turn-key solutions with enough flexibility to customize to specific customer needs", says Sathyanarayana Kabirdas, Senior Research Analyst with Frost & Sullivan. "Frost & Sullivan is pleased to recognize IMS' contribution to automotive telematics with the 2007 North American Telematics Services Product Innovation of the Year Award for its development and introduction of these innovative products."

IMS accepted their award on May 23, 2007 at the annual Frost & Sullivan Best Practices Award Banquet held in San Antonio, Texas.

For more information about Frost & Sullivan's Best Practices Awards, go to www.awards.frost.com.

About IMS

Intelligent Mechatronic Systems Inc. (IMS) specializes in the research, development and production of innovative and progressive solutions in the areas of telematics, automotive safety and mobile media. Our proprietary technologies, which combine mechanical engineering, electronic controls, detection sensors and computational intelligence, are aimed at making 'safer and smarter' vehicles. IMS' solutions include: iLANE™, a hands-free and eyes-free, voice-based email solution for in-vehicle use; DriveSync™ GPS fleet and vehicle tracking, and iPAID™, a turn-key GPS-based system for PAYD insurance offerings and government programs. IMS is based in Waterloo, Ontario, Canada. For more information about IMS, please visit www.Intellimec.com.