

NEWS RELEASE

Media & Analyst Contact:

Phil Gomes
G2B Group
(510) 601-6288
pmg@g2bgroup.com

Corporate Contact:

Melissa Kutrubes
Cornice, Inc.
(303) 651-7291 ext. 103
Melissa.Kutrubes@corniceco.com

**PORTALPLAYER TEAMS WITH CORNICE TO OFFER COMPLETE
PLATFORM FOR DIGITAL ENTERTAINMENT DEVICES**

***Cornice And PortalPlayer Enable A New Class
Of Affordable, "Pocket-Able" Devices***

LONGMONT, Colo., June 2, 2003 — Cornice Inc., an innovator in compact, high-capacity storage, today announced that it has been in development with PortalPlayer for more than a year to ensure that the Company's innovative Storage Element technology will be fully supported by PortalPlayer's widely deployed digital audio and video platform for consumer electronics products.

Together, Cornice and PortalPlayer offer a compelling base platform for the design of low-cost, function-rich consumer devices such as digital music players and digital still camera storage accessories. Manufacturers can take advantage of the combined digital entertainment solution from Cornice and PortalPlayer immediately.

Cornice And PortalPlayer: A Foundation For Consumer Electronics Innovation

Together, PortalPlayer and Cornice address the design and time-to-market needs of consumer electronics manufacturers.

By carrying out a fundamental re-evaluation of how portable storage devices should be designed and manufactured, Cornice achieved the industry's lowest cost for high-capacity portable storage. By re-examining the mechanics and electronics of storage devices, Cornice was able to create an inexpensive storage solution that is compact, durable and optimized for portable electronics devices such as digital music players, digital cameras, handhelds, cellular phones, and other "pocket-able" products.

PortalPlayer's platform for digital entertainment devices includes a system-on-chip, firmware, and a PC-based digital media manager application. Based on a scalable architecture that is fully customizable, the PortalPlayer platform gives OEMs the flexibility to build multiple versions of products from a single base design. Using solutions from PortalPlayer, customers can design and develop complete product families, from player-only portable devices to digital-audio enabled encoding and playback systems for home and car stereo installation.

"Having worked with Cornice for some time, PortalPlayer is excited about the value proposition Cornice brings to devices that require low-cost, portable storage," said Michael Maia, vice president of sales and marketing at PortalPlayer. "Combining Cornice's storage technology with our platform for digital entertainment devices brings a very competitive and powerful design solution for consumer electronics manufacturers."

About PortalPlayer

Founded in May 1999, PortalPlayer is headquartered in Santa Clara, California, with operations in Charlotte, North Carolina; Seattle, Washington, and Hyderabad, India. The company is in its third generation product platform and supports leading consumer electronics manufacturers worldwide.

About Cornice

Cornice Inc. is an innovator in small, compact, low-cost, high-capacity storage that enables a new generation of pocket-able consumer electronic devices for the world's leading brand-name manufacturers. The Cornice Storage Element (SE) is durable, integrated, personal storage that brings new levels of affordability and content capacity to these devices.

Early investors in Cornice include the company's founders, management team, and Texas Instruments. In August 2002, the Company received its first venture investment from CIBC Capital Partners, Nokia Venture Partners and VantagePoint Venture Partners. Privately held, Cornice maintains headquarters in Longmont, Colorado. Visit Cornice at <http://www.corniceco.com/>.

— # # # —