



NEWS RELEASE

CardLogix Expands Its Integration of Atmel's CryptoMemory And Its Reach Into Smart Card Markets

CryptoMemory is the industry's only family of secure memory devices with data encryption including both synchronous and asynchronous protocols now available from 1K to 256K bits.

Colorado Springs, Colorado, October 30, 2002. . . . Atmel® Corporation (Nasdaq: ATML), a worldwide leader in the manufacture of advanced semiconductors, and CardLogix®, a leading manufacturer of smart cards, middleware and development software, announced today that CardLogix is expanding its integration of Atmel's CryptoMemory™ products into its smart cards and software. Currently, CardLogix uses CryptoMemory in applications such as identity management, Internet security, stored value, entertainment, and conventions worldwide. Atmel's new encryption-based high density circuits can now provide CardLogix with many of the same features found in microprocessor-based systems. With the addition of these higher densities, items such as photos and biometric information can be added for extra security. Because the Atmel solution does not require the added expense of an operating system or programming resources, these products are lower cost and faster to market. Atmel's new high density CryptoMemory family of devices, from 32K bits to 256K bits of memory, gives CardLogix a distinct advantage in the smart card marketplace.

"We are very excited about integrating Atmel's new high density CryptoMemory into our many types of card solutions," said Emil Nastri, Vice President of Sales at CardLogix. "Our customers are always looking for affordable, secure, smart cards that don't require lengthy development times. These new secure chip solutions enable us to meet many of our customers security needs quickly and at a lower cost. We haven't found circuits that offer this level of security and low cost anywhere else."

CardLogix provides a wide variety of smart cards designed to enhance systems and solve problems. The card types range from simple memory cards to multi-function, high-security, public key encryption

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cards. CardLogix has specifically developed platforms that support rewards, access, purses and digital identity systems. CardLogix cards have become an integral part of many health infomatics systems as well as enhancing consumer-related activities, such as automating the gaming industry with cashless gaming cards and providing the movie business with automated theater ticket purchases.

Atmel's CryptoMemory is the industry's first low cost, high security family of memory chips with on-chip hardware data encryption, including both synchronous and asynchronous protocols. CryptoMemory is compliant to the smart card ISO7816-3 standard using T=0 protocol, the same protocol used in secure microprocessors, allowing it to function in virtually all smart card readers available today. These devices are in production and development kits are available now. Samples of this product family are available in wafer, module, smart card and standard plastic package form.

"Atmel's new high density CryptoMemory family of devices helps us help our customers provide card solutions that have previously relied entirely on expensive microprocessors," said Kerry Maletsky, North American ASIC/ASSP Business Unit Director at Atmel Corporation. "CardLogix and Atmel have worked closely to integrate leading technology into CardLogix card and software development, delivering even more choices in affordable data security than ever before."

About CardLogix

CardLogix manufactures smart cards and software for the secure transaction of data and value. CardLogix smart card technology platforms are the basis for innovative applications throughout the world in retail POS, healthcare, security, finance and entertainment. For more information, contact CardLogix at sales@cardlogix.com or 949-380-1312.

About Atmel

Founded in 1984, Atmel Corporation is headquartered in San Jose, California with manufacturing facilities in North America and Europe. Atmel designs, manufactures and markets worldwide, advanced logic, mixed-signal, nonvolatile memory and RF semiconductors. Atmel is also a leading provider of system-level integration semiconductor solutions using CMOS, BiCMOS, SiGe, and high-voltage BCDMOS process technologies.

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Information

Atmel's product information may be retrieved at <http://www.atmel.com/atmel/products/prod40.htm>.

CardLogix product information can be found at <http://www.cardlogix.com>.

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