NEWS RELEASE

Datakey Electronics Chooses Atmel's CryptoMemory for New Series of Secure Information Storage Devices

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

Colorado Springs, Colorado, April 22, 2003. . . Atmel® Corporation (Nasdaq: ATML), a worldwide leader in the development, fabrication and sale of advanced semiconductors, and Datakey® Electronics, Incorporated, a manufacturer of keys, tokens, receptacles, and systems that solve data transport and access control problems, announced today that Atmel's CryptoMemory® products will be incorporated into Datakey's newest series of secure keys, called CryptoMemory Keys. Datakey Electronics' products are a convenient, rugged way to carry electronic data and to control access. For more than 25 years, these products have been proven in hundreds of worldwide military and commercial applications, providing a cost-effective and reliable way of storing and transporting electronic information where conventional methods would not survive. Applications include access control, cashless vending, secure data transfer, gaming machines, ATM machines, metering, loyalty programs, and more.

Atmel's new encryption-based integrated circuits provide Datakey with many of the same features found in microprocessors at a much lower cost. With respect to devices available in higher densities, features such as photos and biometric information can also be stored on-chip. Atmel's CryptoMemory family of devices provides an innovative, cost-effective solution that gives Datakey Electronics an advantage in the secure portable memory marketplace.

"We're very excited to be able to integrate Atmel's CryptoMemory into our rugged keys," commented Jeff Daniel, Business Development Manager, Datakey Electronics, Inc. "Atmel's product allows us to satisfy customers who require high levels of security, including positive anti-hacking measures."

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Datakey Electronics' CryptoMemory Keys incorporate the dynamic symmetric mutual authentication protocol ICs provided by Atmel's CryptoMemory products. Security is provided through the use of encrypted passwords, mutual authentication, data encryption, and encrypted checksums. Datakey Electronics' CryptoMemory Keys will be available with user EEPROM memories up to 256 kilobits.

"Datakey Electronics' experience in portable memory packaging offers an innovative, turnkey solution to meet the needs of customers who require a form factor or ruggedness not provided by card formats," commented Kerry Maletsky, Business Unit Director at Atmel Corporation. "Because our CryptoMemory does not require an expensive operating system or additional programming resources, these customers also enjoy the benefits of added security measures at a lower cost and greatly improved time-to-market."

The CryptoMemory Keys also feature Datakey Electronics, Inc.'s industry-leading solid molded construction, rugged wear-resistant exterior, and long-lasting contacts. Unlike cards that can be easily broken in rough usage, the key's body protects the embedded memory chip from physical damage and harsh environmental influences—they can be sterilized, dropped in the mud, washed, driven over, exposed to electrostatic discharge or chemicals, and they'll still work.

Atmel's CryptoMemory devices are in production and development kits are available now. Samples of this product family are available in wafer, module, card and standard plastic package form.

About Datakey Electronics, Inc.

Datakey Electronics, Inc. has a worldwide base of customers including Microsoft, General Dynamics, Raytheon, Siemens, ITT, Medtronics, Gasboy, Duncan Industries, and many other multi-national corporations. Datakey Electronics, Inc. uses the latest electronic memory technology and manufacturing techniques to provide both off-the-shelf and custom products. Design services are available for custom products and system applications. Datakey Electronics, Inc., based in Burnsville, MN, is a minority woman-owned business with a complete manufacturing facility and substantial capacity for production growth.

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
CryptoMemory Key information can be found at www.cryptomemorykeys.com
Datakey Electronics general information can be found at www.datakeyelectronics.com

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