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Fingerprint Cards and Litronic Announce Cooperation on Smart Card PKI

Fingerprint Cards AB (publ) and Litronic Inc. Irvine California, listed on Nasdaq (LTNX) have signed a Memorandum of Understanding that they will co-operate on the development of a new, strong authentication solution combining fingerprint biometrics and smart card based digital signatures on the Microsoftä Windows Powered Smart Card platform. It is anticipated that the resulting system will satisfy the rigorous security standard FIPS 140-1, level 3 (Federal Information Protection Standard) requirements, set out by the US government's National Institute of Standards and Technology (NIST).

To comply with requirements on this level of security, all management of security credentials must take place independently of any host PC or other computer system. This is achieved by using Fingerprint Cards' patented, two-chip, fingerprint authentication technology, where the sensor and processor chips are integrated into the Litronic smart card reader. Comparison between the stored and the presented finger patterns takes place inside the smart card, thereby opening up the digital signature and associated personal credentials.

The importance of digital signatures and credentials has received a boost with legislation falling into place worldwide. In the USA the recent E-sign legislation, combined with the US government's commitment to spend USD1.5 billion over the next five years on employee smart cards including digital signatures as well as finger biometric authentication, means that the area of smart card PKI is set to take off. These cards will be used in systems for e-commerce between government entities and commercial business, for computer access and for physical access to buildings, etc. Litronic's 30 years of experience in this kind of government applications forms an excellent platform for Fingerprint Cards to capture a significant part of this emerging market.

For further details, please contact:

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ABOUT FINGERPRINT CARDS

Fingerprint Cards AB (publ) is listed on the O-list of the Stockholm Stock Exchange (OM Stockholmsbörsen). The company has developed a complete finger verification system to be embedded into small units. The company holds several patents covering this technology. The technology is licensed to companies that market products where user identification is a security requirement. Examples include cellular phones, smart card systems, computer keyboards, and physical access systems. Implementation of the technology comprises two in-house developed microchips, and the system is independent of any PC for storage, finger pattern reading and matching.

Additional information on Fingerprint Cards is available on the company's Web site at http://www.fingerprint.se

ABOUT LITRONIC

Litronic provides professional Internet data security services and develops and markets software and microprocessor-based products needed to secure electronic commerce business transactions and communications over the Internet and other communications networks based on Internet protocols. Litronic's data security products use an advanced form of computer security technology referred to as Public Key Infrastructure (PKI). Litronic's Internet security products can be used with World Wide Web browsers, including Netscape Communicator and Microsoft Internet Explorer.

Additional information on Litronic is available on the company's Web site at http://www.litronic.com