



PRESS RELEASE
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Fingerprint Cards and Biometric Associates Inc. Announce Million Dollar Technology Licensing and Product Integration Agreement.

Fingerprint Cards AB, Goteborg, Sweden, and Biometric Associates, Inc. Baltimore, Maryland, USA, announced today that the two companies have signed a multi-million dollar, multi-year licensing agreement to develop the next generation of smart card solutions incorporating an on-card system for biometric fingerprint authentication of the cardholder.

This agreement will allow quick market introduction of a self-authenticating, credit card-sized offering, which provides a high level of user identity and verification security. The fingerprint system located on the card itself will replace the current, less secure, usage of Personal Identification Numbers (PIN codes) and passwords to authenticate users for network and computer system access. These state of the art fingerprint enabled systems will operate with existing card infrastructures, using the same card-reader interfaces as the millions of smart cards in circulation worldwide for banking, network computing, and secure access applications.

Under the terms of the agreement Fingerprint Cards will license to Biometric Associates its patented fingerprint systems technology, and the two companies will co-operate to integrate this advanced technology by early spring, 2001 into the next commercially available generation of biometric smart card technology solutions. BAI is already engaged in pilot smart card programs with the US Government using older biometric smart card technology. Both companies believe that use of Fingerprint Card's silicon technology will enable development of a thinner, lower powered biometric card system at a volume target price of less than USD\$20 per card.

"This is a doubly exciting announcement for us," says Fingerprint Cards President Lennart Carlson, "The development of a fingerprint authentication system able to operate independently on a standard plastic card was the launch pad for Fingerprint Cards technology development, and this is well described by our Lofberg systems patent. Additionally, we are pleased to be working with a partner like Biometric Associates which has both the engineering expertise to deliver secure encryption key generation with biometric tokens and established relationships with some of the world's leading secure communications companies."

John Hochstein, BAI's Strategic Alliances Vice President commented that "This strategic partnership with FPC combines the most advanced and reliable biometric sensors in the world today with our smart card design, manufacturing and cryptography based system capabilities." He went on to say, "From network access to laptop PC protection, from identity cards to secure cash payment authorisation systems, from portable medical and financial records to next generation debit and credit cards our combined technology will deliver a simple, cost-effective, easily implemented solution."

For further details, please contact:

Lennart Carlson, CEO & President
Fingerprint Cards, Sweden
Tel. +46 31 60 78 20
E-mail: info@fingerprint.se

John Hochstein, VP Marketing
Biometric Associates, Maryland, USA
Tel: +1 410 663 5190
E-mail: info@biometricassociates.com

Fingerprint Cards AB (publ), is listed on the O-list of the Stockholm Stock Exchange (OM Stockholmsborsen). 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 non-exclusively to companies that market products where user identification is a security requirement. Examples include mobile 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 computer for storage, finger pattern reading and matching.

More information is available from www.fingerprint.se

Biometric Associates Inc. (BAI) is a leading developer and marketer of biometric smart cards and sub-systems used to assure user identity when establishing secure communication access to computer applications. The company's fingerprint enabled smart cards and related cryptographic implementations provide secure public/private network, Internet and computer access utilizing existing infrastructure. Additionally, BAI products provide protected storage and portability of sensitive personal data such as medical and bank records. The company is privately held and is headquartered in the Washington DC area.



More information is available from www.biometricassociates.com