Press Contacts:

MediaCrypt/US
Judith Jameson
+1 (781) 862-1451
jamesongroup@rcn.com

MediaCrypt/Europe & Asia
André Simmen
+41 (32) 622 9552
simmen.solothurn@bluewin.ch

MEDIACRYPT UNVEILS NEWEST ENCRYPTION ALGORITHM:

Leading Algorithm Provides 3 Key Values:

- Dynamic Recovery from Security Attacks
- Scalability from Handheld Devices up to Servers
- Simple Creation of Customized Solutions

Zurich, Switzerland -- May 10, 2005 -- MediaCrypt announced the availability of its newest product line-up -- IDEA NXT. Based on the strengths and foundation of MediaCrypt's IDEA encryption algorithm, which has secured millions of transactions, documents and communications worldwide for over 14 years, the next generation IDEA NXT delivers unique features to the market with additional flexibility and customization capabilities.

"IDEA NXT is here for the more advanced customers who want the highest level of security, performance and customization available today. Customers are able to tune items such as the key-size and the number of encryption rounds within the algorithm, to perfectly match their requirements - such flexibility has not been commercially available before," stated Richard Straub, CEO of MediaCrypt. "Our encryption solutions provide security for new business models with unlimited growth potential."

IDEA NXT for the Internet Audio/Video Distribution Market

As the availability of rich media allows for easy and quick Internet downloads, recent reports show that over $3 billion is lost to content piracy each year. Most of this piracy has been due to peer-to-peer audio networks, with video piracy becoming more popular as bandwidth grows. IDEA NXT can be integrated into Digital Rights Management systems and allows for unique dynamic recovery capability that protects system integrity.

Another trend is to move media content beyond its traditional livingroom location, into a home entertainment network and to on-the-go audio/video devices. IDEA NXT gives content owners and distributors additional options to secure the content for transportation and integration. It allows for new business models for content distribution. Its flexible and scalable features provide consumers with seamless access to their content, while at the same time, offering content security to the service providers.

SWISS ENCRYPTION TECHNOLOGY

MEDIACRYPT AG | TECHNOPARKSTRASSE 1 | 8005 ZURICH SWITZERLAND
TEL. + 41 44 445 30 70 | FAX + 41 44 445 30 71 | WWW.MEDIACRYPT.COM

IDEA NXT for Government Markets

Countries throughout the world have a need for increased security for their highly-secretive information. General encryption technologies are not strong enough for these countries, and most of them lack cryptography experts who could knowledgably create their own proprietary encryption technology. Creating proprietary technology can be expensive and ultimately insecure. Military organizations and law enforcement groups benefit from IDEA NXT's unique customization capability, by combining the benefits of proprietary with public, peer-reviewed, encryption algorithms.

IDEA NXT for the Corporate IT Market

The amount of data moving over multiple types of networks and devices creates many security challenges that are difficult to harness. IDEA NXT is capable of bringing Corporations into increased security environments by adapting to multiple platforms and devices through high performance and unique customization.

Availability: Immediate. Contact MediaCrypt at www.mediacrypt.com for further information.

# # # # #

About MediaCrypt AG

MediaCrypt is a leading provider of cryptographic technology for the strong protection of digital content in markets such as Internet audio/video distribution, government and corporate IT. Customer applications comprise content and copyright protection solutions like Pay-TV and Digital Rights Management (DRM) as well as chip manufacturers for trusted devices for the digital home and on-the-go entertainment. MediaCrypt's products include the International Data Encryption Algorithm (IDEA™), which has been used in millions of security products since 1991, and the next-generation IDEA NXT™, available as of May 2005. Product sales and support are offered from MediaCrypt's headquarters in Zurich, Switzerland, with distributors and sales partners worldwide. The company is owned equally by its two Swiss founders, Ascom (ASCN: SWX) and the Kudelski Group (KUD: SWX). For more information, please see www.mediacrypt.com.

Note to Editors: MediaCrypt, IDEA and IDEA NXT logos are trademarks of MediaCrypt AG. IDEA is a trademark of Ascom.