

LUND OCTOBER 20, 2015

Precise Biometrics signs license agreement with Cypress

Precise Biometrics has entered an agreement with Cypress Semiconductor Corp. (NASDAQ: CY) for licensing of Precise Biometrics' products for fingerprint recognition, Precise BioMatchTM Mobile and Precise BioMatchTM Embedded.

The license agreement will generate royalty revenue based on sales of fingerprint sensors from Cypress that includes Precise BioMatch Mobile or Precise BioMatch Embedded. Royalty revenues are volume dependant and cannot be forecasted at this point. The agreement includes a limited initial fixed fee for the right to integrate and use Precise Biometrics' software and for support & maintenance, which will be recognized starting from the third quarter 2015.

"The agreement with Cypress strengthens our position as the leading supplier of fingerprint software for mobile and embedded devices. Cypress is a leading supplier of user interface Solutions, and we are pleased to be part of their impressive product portfolio", says Håkan Persson, CEO of Precise Biometrics.

"Fingerprint biometrics for user authentication on smartphones is becoming increasingly important as users expand the amount of personal and financial data stored on their devices," said Hassane El-Khoury, Executive Vice President of the Programmable Solutions Division at Cypress. "The combination of the superior image quality of our TrueTouch® Fingerprint Reader and the accuracy of Precise Biometrics' fingerprint recognition software enables industry-leading authentication performance for smartphones."

[Precise BioMatch Mobile](#) provides easy integration of fingerprint matching functionality for smartphones and tablets, and is optimized for small touch sensors in mobile environments through a unique patented hybrid algorithm. The software offers fast, accurate, and secure verification of the user's identity, creating a convenient user experience for consumers when unlocking their mobile device or authenticating to services, while delivering enhanced security.

Precise Biometrics also offers fingerprint technology to embedded solutions. [Precise BioMatchTM Embedded](#) provides easy integration of fingerprint matching functionality for numerous environments and applications.

Cypress's TrueTouch® Fingerprint Reader is designed to bring reliable, easy-to-use user authentication to smartphones, tablets, wearables and other mobile devices. The solution uses proprietary sensing circuitry and a unique touch sensor design to provide best-in-class fingerprint image quality and pattern matching accuracy—improving security and delivering a superior user experience. The flexible solution enables designers to create custom home buttons with specialized shapes and sizes or to integrate the sensor into any mobile device's industrial design or home button.

This press release contains information that Precise Biometrics is required to disclose pursuant to the Swedish Financial Instruments Trading Act (1991:980). The information was submitted for publication at 08.00 am CEST on October 20, 2015.

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FOR FURTHER INFORMATION, PLEASE CONTACT

Håkan Persson, CEO, Precise Biometrics AB

Telefon; +46 46 31 11 05 or +46 734 35 11 05

E-mail; hakan.persson@precisebiometrics.com

ABOUT PRECISE BIOMETRICS

Precise Biometrics is a market-leading provider of solutions that prove people's identities through smart cards and fingerprint recognition. The company's products can be used for ID, enterprise and bank cards as well as access to mobile solutions, computers and networks. Precise Biometrics serves business and government organizations throughout the world and its products are licensed to close to 160 million users. For more information, please visit

www.precisebiometrics.com

ABOUT CYPRESS

Cypress (NASDAQ: CY) delivers high--performance, high--quality solutions at the heart of today's most advanced embedded systems, from automotive, industrial and networking platforms to highly interactive consumer and mobile devices. With a broad, differentiated product portfolio that includes NOR flash memories, F--RAMTM and SRAM, TraveoTM microcontrollers, the industry's only PSoC[®] programmable system--on--chip solutions, analog and PMIC Power Management ICs, CapSense[®] capacitive touch--sensing controllers, and Wireless BLE Bluetooth Low--Energy and USB connectivity solutions, Cypress is committed to providing its customers worldwide with consistent innovation, best--in--class support and exceptional system value. To learn more, go to www.cypress.com.

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