

For Immediate Release - August 15, 2001

## **NVE Announces New MRAM Patent Covering Tunnel Junction Designs**

**EDEN PRAIRIE, Minn.-August 15, 2001-NVE Corporation (OTBB: NVEC) announced today that the U.S. Patent and Trademark Office has issued a patent (#6,275,411) significantly strengthening the company's magnetic random-access memory (MRAM) intellectual property portfolio. The patent, entitled "Spin Dependent Tunneling Memory" is the nineteenth U.S. patent issued to NVE, and gives the company exclusive rights to the intellectual property until 2016.**

**The new patent covers both the use of a transistor in the memory cell to select which cell is to be read and a limitation on cell structure to allow the memory to operate at high speeds. These features are being used in many publicly-disclosed development programs by a number of organizations developing magnetoresistive tunnel junction (MTJ) MRAMs.**

**Unlike conventional DRAM and SRAM memories which use charge and lose data when power is off, MRAM uses magnetic materials that retain data when power is removed like a hard disk drive. This nonvolatility provides a number of advantages. For example, today's computers need to reload information into local memory from the hard disk drive when data power is turned on. MRAM is designed to allow the programs and data to remain in the local memory, even when the power is off. Semico Research Corp. predicts that MRAM has the potential to revolutionize the \$48 billion semiconductor memory market by replacing a large portion of existing memory technologies.**

**Because of the large capital investment required to fabricate large-scale memories, NVE has made a strategic decision to license its intellectual property rather than to manufacture large-scale MRAM devices itself. Current NVE licensees include Motorola, Inc., Honeywell International, and USTC.**

**"This patent is a credit to the design team lead by Dr. Jim Daughton, our founder and Chief Technology Officer," commented NVE President and Chief Executive Officer Daniel A. Baker, Ph.D. "It solidifies NVE's position as a leading developer of MRAM technology."**

**NVE designs and manufactures isolator and sensor components revolutionizing data acquisition and transfer, and is a leading developer of nonvolatile MRAM technology.**

**Statements made in this release concerning the Company's or management's intentions, expectations, or predictions about future results or events are "forward-looking statements" within the meaning of the Private Securities Reform Act of 1995. Such statements are necessarily subject to risks and uncertainties that could cause actual results to vary from stated expectations, and such variations could be material and adverse. Additional information concerning the factors that could cause actual results to differ materially from the Company's current expectations is contained in the Company's SEC filings.**