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MagiQ Technologies Announces General Availability and Key Accomplishments of its Latest Quantum Cryptography Solution

QPN 7505 Successfully Completes Field Tests with Telcos, Defense and OEM Customers including Nortel; New Pricing Announced

NEW YORK, NY - NOVEMBER 21, 2005 – MagiQ Technologies, Inc., the quantum information processing (QIP) company, today announced new pricing for its QPN 7505 quantum encryption solution and the completion of several important field tests for the device.

“Relying on computational difficulty to keep data secure is an approach whose days are numbered,” said John Stankus, Ph.D., former senior advisor at Nortel. “We wanted a security system that we knew was future-proof, so that our customers’ encrypted data would not become vulnerable to tomorrow’s key-busting processing power. MagiQ’s QPN 7505 gives us the confidence that our customer’s data is provably secure.”

The features for the QPN 7505 include:

- Long haul network support, including the ability to cascade two systems to reach up to 160km secure distance
- Gigabit data channel integrated with quantum keys, bringing quantum cryptography to the higher data channel speeds customers have demanded
- Remote monitoring and management to meet customer requirements for cost-effective, centralized control
- Multiplexing of data and quantum channel over a single fiber, reducing the cost of deployment

“For the last several months, we’ve had our QPN 7505 out in the real world, ensuring it lived up to the promises we made to our customers. The results have been excellent, with defense, OEM and major telco providers deploying unbreakable encryption,” said Bob Gelfond, CEO of MagiQ Technologies. “We’re now seeking additional sites where we can install the device on a trial basis, and look forward to working with customers to show them the benefits of quantum cryptography.”

The QPN 7505, which was previewed at federal facilities including the Pentagon, DISA, and NSA, is a next-generation quantum cryptography system that relies on the laws of physics rather than the computational difficulty of breaking keys. It is easily integrated into existing digital computing network infrastructures and incorporates real-time key generation with quantum distribution for absolute certainty in detecting compromised keys and providing real time intrusion detection. MagiQ's QPN delivers always-on industry standard IPsec based VPN protection while providing an additional layer of security via quantum cryptography. The system offers cost-effective protection from both internal threats such as disgruntled employees and external threats. MagiQ's QPN 7505 is targeted at government applications including military, intelligence gathering and homeland defense. Commercial applications include financial services, telco carriers and disaster recovery. The price for a typical installation of the QPN 7505 starts at \$97,000. Organizations interested in a test drive of the QPN 7505 should apply at www.magiqtech.com.

Background Quotes

"Bridging the gap between science and customer driven solutions is not for the weak of heart," said Artur Ekert, Professor of Quantum Physics at the University of Cambridge. "MagiQ is a one of kind company that has successfully harnessed quantum mechanics in a commercial product, the QPN 7505, and they are paving the way for a new and growing industry."

"Quantum information processing is rapidly maturing, and devices such as MagiQ's QPN 7505 are compelling commercial examples of the emerging applications of quantum mechanics in data security," said Burt Kaliski, chief scientist of RSA Laboratories. "Pioneering companies such as MagiQ are showing the market that it is possible to achieve practical results today with quantum-based enhancements to classical cryptography."

About MagiQ Technologies, Inc.

MagiQ Technologies (www.magiqtech.com) is the award winning quantum information processing (QIP) company. Through its unique blend of science, business and engineering expertise, the Company is the first to commercialize the advancements in quantum information to benefit forward-looking organizations seeking competitive advantage through technology. Founded in 1999, MagiQ is a privately-held company headquartered in New York City with research & development laboratories in Somerville, Mass.

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