

NEWS RELEASE

Calypto Design Systems Expands European Presence

Calypto adds direct sales and technical support along with naming the ISS Group as its Nordic region distributor

SANTA CLARA, Calif. - September 25, 2006 - Calypto Design Systems, Inc., the leader in sequential analysis technology, announced today it has appointed EDA veteran Bill Campbell to head Calypto's European operations. Calypto also announced it has signed an agreement with the ISS Group to distribute Calypto products throughout the Nordic region.

Bill Campbell brings to Calypto over 20 years of EDA sales and marketing experience from Synopsys, Tensilica, Avant! and Chrysalis. Most recently, Bill was CEO of Microemissive Displays Ltd. which developed LED on CMOS microdisplays. Bill will lead efforts to expand Calypto's European market presence.

"Europe is an important market for Calypto. There are many leading electronics companies that can benefit from using our SLEC product," said Tom Sandoval, Chief Executive Officer of Calypto. "Bill brings experience and leadership that will enable us to expand our customer base and deliver high quality customer service and support."

"Calypto's Sequential Logic Equivalence Checker, with its ability to leverage System Level models for functional RTL verification, is the right product at the right time. Many European design teams are using System Level modeling today," Campbell said. "I see tremendous opportunity and I am excited to be part of the Calypto team."

To further strengthen Calypto's European presence, the company has added local technical support and partnered with the ISS Group as its Nordic region distributor. "The ISS Group has a long standing reputation for providing exceptional local customer service and support. We are excited to have ISS as a partner," Sandoval said.

About Calypto

Founded in 2002, Calypto Design Systems, Inc. enables SoC design teams to bridge System and RTL for semiconductor design, thereby saving millions of dollars in design costs and silicon re-spins. The company delivers software products to leading edge semiconductor and systems companies worldwide. Calypto is privately held with venture funding from Cipio Partners, JAFCO Ventures, Tallwood Venture Capital and Walden International. The company is a member of the Cadence Connections program, the IEEE-SA, Synopsys SystemVerilog Catalyst Program, and the Mentor Graphics OpenDoor program. Corporate Headquarters are located at: 2933 Bunker Hill Lane, Suite 202, Santa Clara, Calif. 95054. Telephone: (408) 850-2300. Email: info@calypto.com. More information about Calypto may be found at www.calypto.com

About the ISS Group

Founded in 1986, the ISS Group supplies the tools and technologies to the electronic design and manufacturing industry of Sweden, Norway, Denmark, Finland, Estonia, Latvia, Lithuania and other countries throughout Europe and Asia. The ISS Group is committed to providing customers with new tools and enabling technologies from the best global partners with

a goal to set up efficient and fast turnaround environments. More information about the ISS Group may be found at www.iss.se

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