



Ovonyx Receives Additional Investment from Intel Capital

Santa Clara, Calif., October 19, 2005 - Ovonyx, Inc. ('Ovonyx') a semiconductor memory technology developer announced today that Intel Capital has made an additional investment in the company. Financial terms were not disclosed.

Ovonyx memory technology uses a reversible phase-change memory process that has been previously commercialized worldwide in rewritable CD and DVD optical memory disks. The Ovonyx array-addressed semiconductor memory technology can be used in many applications benefiting from non-volatile low power memory such as mobile computing, communications, and information appliances, as well as embedded applications in many product areas such as microcontrollers and reconfigurable MOS logic.

In February 2000, Ovonyx announced that Intel Capital had made an investment in the company and that Ovonyx had licensed its phase-change memory technology to Intel. The two companies have been working together since then to develop and demonstrate the feasibility of high-density, non-volatile memory based on the technology.

"The Investment will be used to further the strategic goals of Ovonyx, principally by supporting ongoing development activities, and we look forward to continuing our joint development program with Intel" said Tyler Lowrey, President & CEO of Ovonyx.

"Intel continues to explore and invest in a wide variety of new memory technologies," said Stefan K. Lai, Intel Corporation Vice President and Director of California Technology Manufacturing. "Intel's incremental investment in Ovonyx reflects our continued interest in exploring the potential of the technology as a future nonvolatile memory alternative."

About Ovonyx (www.ovonyx.com)

Ovonyx was formed with the charter to commercialize the proprietary phase-change semiconductor memory technology originally invented and pioneered by S. R. Ovshinsky at Energy Conversion Devices, Inc. (see website at www.ovonic.com). Ovonyx nonvolatile memory technology offers significantly faster write and erase speeds and higher cycling endurance than conventional Flash memory. It also has the advantage of a simple fabrication process that allows the design of semiconductor chips with embedded nonvolatile memory using only a few additional mask steps. Ovonyx is pursuing commercialization of its array-addressed memory systems through joint development programs with a number of licensees including, BAE Systems, Intel Corporation, ST Microelectronics, Nanochip, and Elpida Memory.

About Intel Capital

Intel Capital, Intel's venture investment program, focuses on making minority equity investments to grow the Internet economy in support of Intel's strategic interests. Intel Capital invests in hardware, software and services companies in several market segments, including computing, networking, and wireless communications. Intel Capital has invested more than US\$4 billion in approximately 1,000 companies in more than 30 countries since 1991. Since its inception, about 160 portfolio companies have been acquired by other companies and another 150 have gone public on various exchanges around the world. Intel Capital employs investment managers in about 25 countries worldwide. Last year alone, Intel Capital invested more than US\$130 million in about 110 deals with approximately 40 percent of its investments made outside the United States. For more information, visit www.Intel.com/capital.

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