

For Immediate Release

NALLATECH TO COLLABORATE WITH SGI ON DEVELOPING FPGA HIGH-PERFORMANCE COMPUTING SOLUTIONS

Agreement Will Target New Business Opportunities for Demanding FPGA-Based Computing Systems

Cumbernauld, U.K.,—July 18, 2005—Nallatech, the FPGA high-performance computing solutions experts, announced it has entered into a strategic collaborative arrangement with Silicon Graphics, Inc. (NYSE: SGI), to develop new business opportunities within the high-performance computing market. The companies plan to offer new products and services based on SGI's reconfigurable system technology and Nallatech's Field Programmable Gate Array (FPGA) computing technology. Under the arrangement, Nallatech and SGI plan to assess complementary capabilities and integrate, customize and deploy FPGA computing solutions to existing customers and new prospects.

Nallatech and SGI will collaborate on new business opportunities for products, tools and associated services in markets that require demanding high-performance computing solutions. The companies will also work together to apply FPGA-based computing solutions for growth markets that could include oil and gas – geophysical; homeland security; bioinformatics; medical imaging; and data distribution and visualization systems. The companies will work together to develop an integrated high-performance computing offering based on FPGA technology which will be used to facilitate high-performance, high-density implementations to support demanding computing needs and processing algorithms.

Nallatech has over a decade of field expertise and knowledge in FPGA computing, delivering technology with the ability to 'deep-scale' using multi-FPGA systems coupled with tool suites and development environments. The collaboration is a natural extension to SGI's research and development initiatives focused on tightly coupling FPGAs into its shared-memory NUMAflex® architecture, to provide an application-adaptive high-performance computing environment.

"Working with Nallatech, we continue on SGI's path toward delivering a revolutionary class of supercomputers that will catapult users into a new era of computing," said Dave Parry, senior vice president and general manager, server and platform group at SGI. "Ultimately we plan to offer reconfigurable computing technology as one of the primary vehicles for accelerating application performance within SGI's renowned high-bandwidth, low-latency multiparadigm computing architecture."

"With this collaborative effort, Nallatech and SGI plan to deliver nothing short of the world's best FPGA-based computing solutions," said Allan Cantle, CEO of Nallatech. "Organizations that require highest levels of performance, reliability and flexibility in demanding processing applications will benefit from our shared resources and innovative technology."

The combination of Nallatech's FPGA computing technology with SGI's Reconfigurable Application-Specific Computing (RASC) systems and shared cross-market application expertise in a co-processor model, will create a powerful solution for addressing the most demanding multicomputing problems. FPGAs allow for efficient implementation of highly parallel, compute-intensive functions which are required for real-time, data-intensive processing systems.

About Nallatech Ltd.

Nallatech is the world's leading supplier of high performance FPGA solutions. A comprehensive product range delivers the highest performance-density, maximum scalability and most complete solutions available on the market today. Nallatech offers a unique high-speed architecture, combined with support for industry standard PCI, cPCI, PC/104 and VME, along with software support for the most popular operating systems and programming languages. Nallatech provides flexible, easy to implement solutions for Data Communications, Digital Signal and Image Processing. Customers benefit from lower costs, reduced power consumption and improved performance in end markets including Telecommunications Infrastructure, Aerospace and Defense, Imaging and Scientific Computing. Nallatech is headquartered near Glasgow, U.K., its wholly-owned subsidiary Nallatech, Inc. has U.S. group offices in Baltimore and regional offices in Phoenix, Philadelphia and Boston. For more information, please visit www.nallatech.com.

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