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*NVEC's home-town paper puzzled by stock's rise.*

Today Minneapolis-St. Paul's Star Tribune published yet another article about NVE Corporation (NASDAQ: NVEC, \$43.14). The title of today's article is "Whether agog or aghast, investors have eyes on NVE." On June 24, 2004 we published a report on a Star Tribune article that appeared in the paper that morning. Today's article states that NVE "might be close to commercializing next-generation computer memory. Or, maybe not, if you ask the company's critics." This statement provides insight into the misperception NVE is using to drive its stock promotion.

NVE and its accomplices (the Forbes/Wolfe Nanotech Report and J. Giordano Securities Group) are responsible for creating and disseminating the idea that NVE "might be close to commercializing next-generation computer memory." This potential next-generation memory is called magnetic RAM, or MRAM. NVE claims, without any supporting evidence whatsoever, that it owns a self-described "watershed" MRAM patent.

MRAM may one day be used as a "universal" memory. Theoretically, MRAM has the potential to be as cheap to produce, as fast to write-to and read-from, as small and as stingy with electricity as any memory ever produced. Wow! And Minneapolis-St. Paul's Star Tribune writes that NVE "might be close" while all its critics can say is "maybe not." The truth is that NVE's critics are not saying "maybe not." NVE's critics are saying absolutely not and they, unlike NVE, have disclosed factual basis for their case. Fortunately for NVE and its stock promoters none of these facts are in today's Star Tribune article.

The invention of a magnetic universal memory product is one of the most difficult projects ever attempted by the semi-conductor industry. It requires the invention of new materials and processes. Motorola, Inc. (NYSE: MOT, \$17.83), International Business Machines Corporation (NYSE: IBM, \$86.97) and Infineon Technologies AG (NYSE: IFX, \$13.20) have spent over \$300 million and created new commercial applications of revolutionary chemistry and physics to produce the first magnetic memory prototypes. Despite this investment by the industry's giants and government assistance, the magnetic memory silicon products being developed are still not suitable for universal use and are plagued by major problems. These include low-density, high-voltage use, random bit failure and "store disturb" problems.

Once again the Star Tribune accuses short-sellers of "beating down" NVE's stock. Yet it does not dawn on the home-town paper to explore how many facts NVE had to "beat down" to get investors to believe that a wholly-insignificant local company is mystically at the forefront of one of humankind's most dramatic commercial breakthroughs. Instead it eagerly disseminates NVE's baseless claims without challenge or third-party support.

<http://www.asensio.com/Report-images/NVEC/ST07022004.pdf>>Whether agog or aghast, investors have eyes on NVE</a>

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