



BIO-key Releases Updates of its Biometric Authentication Software and Algorithms for Flexible Identity Services

WEB-key 4.0 offers new multi-factor authentication options

Wall, NJ, January 18, 2017 – **BIO-key International, Inc.** (OTCQB: **BKYI**), an innovative provider of biometric software and hardware solutions for strong and convenient user authentication, today released updates of its biometric service platform, WEB-key 4.0, and core biometric algorithm software, VST 6.6, offering enhanced capabilities, expanded scanner interoperability and support for new authentication methods in a new service framework that transitions seamlessly from cloud-based, to on-premise, or even device-based operations.

With the release of WEB-key 4.0, BIO-key is meeting growing demand from enterprise customers to deploy and manage a cloud-hosted or on-premise common biometric service centralizing strong authentication and identification for their employees and customers. BIO-key's marquee customers, including several members of the Fortune 500, government agencies, insurance companies, international banks, and a range of OEM partners, are already deploying WEB-key 4.0, reaping the benefits of the next-generation platform in addressing identity and access management (IAM) challenges, while eliminating friction from their user experience. BIO-key's patented WEB-key platform provides enterprises with a secure, scanner-agnostic architecture allowing total flexibility when mixing and matching every component of a next-generation IAM solution, from fingerprint scanners, to web browser, virtualization stack, and infrastructure.

Once the common biometric service of WEB-key is in place, BIO-key's family of ID Directors integration adapters, including the new ID Director for SAML IdP, allows customers to connect their existing IAM infrastructure, applications, and even physical security systems to leverage the common biometric services.

“We have customers who have deployed BIO-key's common biometric services for everything from cabinet locks in retail stores to network logins over VMware and Citrix for retail and call centers, mixing and matching among four or five different fingerprint scanners,” said Jim Sullivan, BIO-key SVP Strategy and Business Development. “For our customers, it's all about being the most flexible platform, so they can actually put their biometric service in front of users. This ability is the tipping point for achieving biometrics ROI and is driving the growing success for our platform.”

WEB-key 4.0 is a robust and secure software authentication platform supporting multiple biometric modalities, including BIO-key's award-winning fingerprint technology that is interoperable with most fingerprint readers on the market today and yester-year. Broad device compatibility provides for flexibility in deployments, now and into the future.

New features in WEB-key 4.0 include:

- Support for One-Time-Passwords (OTP) – hardware or software based, Prox cards, Challenge Response Questions, passwords and PINs.
- Updated user interface presentation for 'skins' that are defined in HTML for expansive customization and branding potential.
- Support for Chrome, Microsoft Edge, Internet Explorer and Firefox browsers through new 'Plug-Out' style interfaces which operate outside of a browser, yet integrated to its operation.

- Support for device based authentication via Windows Biometric Framework.
- Expanded Audit Logs, enabling expansive support for validating any authentication or enrollment, including location, application and device information as possible fields.
- WEB-key 4.0 sheds some older methods of integration, such as Active-X, to deliver a cleaner, more functional interface that integrates smoothly into many applications while providing the developer with more control of the application.

VST (Vector Segment Technology™) 6.6 is the latest version of BIO-key’s industry-leading NIST-tested, core fingerprint algorithm which has demonstrated exceptional speed and accuracy over two decades of active use. BIO-key’s VST algorithm is utilized in some of the world’s largest biometric deployments, including financial services, manufacturing, call centers, education, healthcare and government. BIO-key has successfully enrolled over a billion fingerprints.

New features in VST 6.6 include:

- Windows, MAC OS X, and Linux platform support in the VST 6.6 software developer kit (SDK).
- Android is forecasted to be included in the Q2 update.
- VST 6.6 supports biometric reader hardware for virtual environments in Citrix, Remote Desktop and VMware Horizon.
- Intelligent Image Indexing™ (I3) APIs in C++, Java and .NET programming languages, enable expanded database indexing distribution for scaling and fault tolerance.
- VST 6.6 adds two new algorithms for small area sensors and image correlation for very small image sources. These complement existing support for BIO-key's proprietary template for high accuracy and full one-to-many indexing identification, as well as standards-based [fingerprint] templates like ISO 19794-2 and INCITS/ANSI 378.
- VST 6.6 also includes a new indexing algorithm for one-to-many indexed identification searches that can leverage the host’s CPU as well as the NVIDIA graphics processing unit (GPU) for highly parallel operations.
- Additionally, VST 6.6 offers standalone biometric support that can be embedded into virtually any application or platform, thereby enabling biometrics where the broader features and services of BIO-key’s WEB-key solution are not required.

“The advances in our new software releases reflect our customers’ growing needs for multi-factor authentication and higher security. We have also addressed needs for scalability with faster indexing search speeds as well as GPU (Graphic Processing Unit) acceleration. Our new indexing is an order of magnitude faster than our prior release, and with the highly parallel GPU environment we are able to accelerate again by an order of magnitude or more, depending on the GPU capabilities. WEB-key also now includes certificate pairing between applications and the authentication server, enabling a tighter lock between the approved servers for access and the WEB-key authentication service,” stated Mira LaCous, Chief Technology Officer, BIO-key.

LaCous continued, “Our commitment has always been to develop and deliver biometric based software solutions that are flexible and can meet today’s demands for advanced authentication security. Our scientists and engineers are focused on building enhancements to authentication accuracy and related security requirements, all while being compatible with virtually every platform and device meaningful to customers and their use cases. We seek to empower change in the organization for better security and accountability – which are key factors to reduce threats of intrusion and data loss.”

About BIO-key International, Inc. (www.bio-key.com)

BIO-key is revolutionizing authentication with biometric solutions that enable convenient and secure access to information and high-stakes transactions. We offer alternatives to passwords, PINs, tokens and cards that make it easy for enterprises and consumers to secure their devices as well as information in the cloud. BIO-key provides **NIST** approved biometric algorithms and software solutions, complemented with a line of finger scanning devices offering market-leading quality and performance.

BIO-key has also launched a line of **TouchLock** biometric and Bluetooth enabled padlocks, including travel and bicycle locks, bringing the security and ease-of-use of biometric technology to a wide variety of applications.

BIO-key Safe Harbor Statement

All statements contained in this press release other than statements of historical facts are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995 (the "Act"). The words "estimate," "project," "intends," "expects," "anticipates," "believes" and similar expressions are intended to identify forward-looking statements. Such forward-looking statements are made based on management's beliefs, as well as assumptions made by, and information currently available to, management pursuant to the "safe-harbor" provisions of the Act. These statements are not guarantees of future performance or events and are subject to risks and uncertainties that may cause actual results to differ materially from those included within or implied by such forward-looking statements. These risks and uncertainties include, without limitation, our history of losses and limited revenue, our ability to develop new products and evolve existing ones, market acceptance of biometric solutions generally and our specific offerings, our ability to expand into the Asian market, the impact on our business of the past financial crisis in the global capital markets, and our ability to attract and retain key personnel. For a more complete description of these and other risk factors that may affect the future performance of BIO-key International, Inc., see "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2016 and its other filings with the Securities and Exchange Commission. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date made. The Company undertakes no obligation to disclose any revision to these forward-looking statements to reflect events or circumstances after the date made.

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