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Contacts: Bill Volz, President  
Kimiko Milheim, CFO  
(408) 542-5400

## **LOGIC DEVICES REPORTS PROFITABLE FISCAL 2006**

**Sunnyvale, Calif.** (December 1, 2006) - LOGIC Devices Incorporated (Nasdaq: **LOGC**) today reported revenues and earnings for its fiscal year ended September 30, 2006. Revenues for the year ended September 30, 2006 were \$4,640,600 up 32 percent compared to \$3,508,800 in fiscal 2005, while the Company recorded a net income of \$129,400 or \$0.02 per share, compared to a net loss of \$1,362,900 or \$(0.20) per share in fiscal 2005.

“While we continue to tightly manage operations and maintain strong liquidity, new product development continues to be our primary focus and priority,” stated Bill Volz, president of LOGIC Devices. “During fiscal 2006, research and development expenditures increased 34 percent compared to fiscal 2005. Much of this increase resulted from the expansion of our product development team, which increased steadily in size and skill levels over the course of the year. In addition, we are making changes to our sales organization, which we believe will increase our visibility to customers, and in turn, drive increased revenues. In the near term, current order visibility suggests that revenues will exceed 2006 levels for at least the next couple of quarters.”

“Revenues for the fourth fiscal quarter were primarily driven by sales of one of our chips to a shoulder-fired missile protection system. Revenues for the first quarter of fiscal 2007, which will end December 31, 2006, are being driven by the sales of chips incorporated into digital cinema equipment.”

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“During fiscal 2006, we increased reserves against possible obsolete inventory by \$1,036,900. Inventory reserves are now 34 percent of total inventory. This was offset by the sales of \$1,212,900 in inventory material that had previously been written to zero value. Our fiscal year-end quick and current ratios were 6.6 and 27.3 to 1, respectively, and our total liabilities remain low, at \$319,700. Since we are able to support most customer requirements from existing inventory, we continue to generate strong cash flow that substantially exceeds our reported profitability. However, anticipated new product introductions will also require increased capital expenditures for tooling during fiscal 2007,” concluded Volz.

*“Safe Harbor” Statement under the Private Securities Litigation Reform Act of 1995: Any statements in this press release regarding expectations of future events are “forward-looking statements” involving risks and uncertainties, including, but not limited to, market acceptance risks, the effect of economic conditions and shifts in supply and demand, the impact of competitive products and pricing, product development, commercialization and technological difficulties, availability of capital, and capacity and supply constraints. Please refer to the Management Discussion and Analysis of Financial Condition and Results of Operations (MD&A) for a discussion of risks in the most recent LOGIC Devices Annual Report on Form 10-K and the quarterly report under Form 10-Q.*

LOGIC Devices is a fabless semiconductor manufacturer focused on developing high performance digital integrated circuits for applications requiring high-density embedded memory, high speed and low power consumption. LOGIC's product solutions meet the requirements of leading broadcast video, medical imaging, surveillance, instrumentation, and telecommunications companies. More information about LOGIC Devices is available at [www.logicdevices.com](http://www.logicdevices.com).

### FINANCIAL HIGHLIGHTS:

	<i>Fiscal Quarter Ended</i>	
	<u>September 30, 2006</u>	<u>September 30, 2005</u>
Net revenues	\$ 1,275,300	\$ 1,014,800
Income (loss) from operations	\$ 71,800	\$ (813,300)
Net income (loss)	\$ 71,800	\$ (808,300)
Income (loss) per share	\$ 0.01	\$ (0.12)
Basic weighted average shares	6,756,721	6,753,188