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SmartDisk Completes Sale of Assets to Verbatim

Fort Myers, Fla., July 6, 2007 -- SmartDisk Corporation announced today that it has completed the sale of substantially all of its assets to Verbatim Corporation, a wholly-owned subsidiary of Mitsubishi Kagaku Media Corporation. The transaction was approved at a special stockholders meeting held Tuesday, July 3, 2007.

In addition, shareholders approved amending the Restated Certificate of Incorporation to change the corporate name from SmartDisk Corporation to SMDK Corp. following the completion of the transaction.

As indicated previously, SMDK Corp. will retain ownership of certain intellectual property. Specifically, the Company's patents are:

- U.S. Patent No. 6,658,202 entitled "Portable data transfer and mass storage device for removable memory modules." This patent covers the award-winning FlashTrax multimedia storage products and a wide range of similar devices.
- U.S. Patent No. 6,987,927 entitled "Enhanced digital data collector for removable memory modules". This patent is a continuation in part of U.S. Patent No. 6,658,202 and it affirms and extends the intellectual property protection of FlashTrax and FlashTrax *XT* products in the digital multimedia storage market.

In addition, the Company has certain patent applications related to the above. The company's primary business will be to generate income from its patent portfolio.

For more details regarding this transaction, please visit www.smdkcorp.com.

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