

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): May 17, 2006

VASCO DATA SECURITY INTERNATIONAL, INC.  
(Exact name of registrant as specified in charter)

Delaware (State or other jurisdiction of incorporation)	000-24389 (Commission File Number)	36-4169320 (IRS Employer Identification No.)
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1901 South Meyers Road, Suite 210  
Oakbrook Terrace, Illinois 60181  
(Address of principal executive offices)

(630) 932-8844  
(Registrant's telephone number, including area code)

N/A  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

SECTION 8 - OTHER EVENTS

ITEM 8.01. OTHER EVENTS.

On May 16, 2006, VASCO Data Security International, Inc. issued a press release announcing the acquisition of Logico Smart Card Solutions of Vienna, Austria. The press release is attached hereto as Exhibit 99.1.

SECTION 9 - FINANCIAL STATEMENTS AND EXHIBITS

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

(d). Exhibits

The following exhibit is filed with this Current Report on Form 8-K:

Exhibit No.	Description
99.1	Press Release issued by VASCO Data Security International, Inc. on May 16, 2006.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: May 17, 2006

VASCO DATA SECURITY INTERNATIONAL, INC.  
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(Registrant)

By: /s/CLIFFORD K. BOWN  
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Clifford K. Bown  
Chief Financial Officer

## VASCO Announces Acquisition of Authentication Storage Specialist Logico

Logico Products and Technologies Reinforces VASCO's Offerings in the Passwords and Certificates/PKI Range; Acquisition Expands and Strengthens VASCO's Connected Smart Card Reader Offerings; Adds Substantial Depth to Engineering Capability

OAKBROOK TERRACE, Ill., and BRUSSELS, Belgium, MAY 16, 2006 - VASCO Data Security International, Inc. (NASDAQ: VDSI), ([www.vasco.com](http://www.vasco.com)), the global number one vendor of strong user authentication products to the financial sector, today announced its acquisition of Logico Smart Card Solutions of Vienna, Austria, an authentication storage specialist with extensive experience in smart card based authentication ([www.logico.com](http://www.logico.com)). VASCO acquired all of the stock of Logico, in exchange for cash consideration totaling Euro 1.14 million (approximately \$1.5 million). The acquisition was financed completely with VASCO's cash and is expected to be slightly dilutive in fiscal 2006.

Logico is an established, privately-owned company with customers in the healthcare, manufacturing industry and government markets and a significant technical expertise in the smart card related password security and PKI markets. Logico generated revenues of approximately Euro 0.8 million in 2005.

With the acquisition of Logico, VASCO expands and strengthens its product line and position in the smart card enabled password and PKI market for large, medium and small sized companies. Logico's authentication product line is in perfect synergy with VASCO's strong authentication strategy. With the addition of Logico's technical expertise, VASCO expects to be able to further accelerate its evolution towards the "Full Option, All-Terrain Authentication Company".

"Logico adds substantially to VASCO's quickly growing authentication offerings," said Jan Valcke, VASCO's President and COO. "During our January Press and Investor Meeting in New York, we announced our new product strategy, turning VASCO into the "full option, all-terrain Authentication Company. With Logico, we are well armed to tackle the smart card enabled PKI/Certificates and password based authentication markets. In addition, Logico brings us a number of highly experienced developers, which allows us to accelerate the development of VASCO's authentication strategy with regards to smart card based authentication and PKI software."

"The opportunities in the authentication market are huge," said Ken Hunt, VASCO's Founder, Chairman and CEO. "At the end of 2004, VASCO implemented a make-or-buy strategy to expand its leadership position. The acquisition of Logico fits perfectly in this strategy. In the first place there is a great synergy between VASCO's existing product range and Logico's technologies. Secondly, we further expand our team of developers. Thirdly, with Logico we have a strong presence in the German speaking countries, a strategically important market for VASCO."