



## **Axalto Network Card Receives *Card Technology* Breakthrough Award for Innovation**

### **Award recognizes the biggest advance in card technology in 2004**

**CardTech/SecurTech 2005, Las Vegas, April 13, 2005** – Axalto received the *Card Technology* “Breakthrough Award for Innovation” yesterday at the CardTech/SecurTech Annual Conference and Exhibition in Las Vegas. The award, which recognizes the biggest advance in smart card technology in 2004, was presented to Axalto for its Network Card technology, which allows smart cards to be used directly by Internet-based applications without the use of card readers or software drivers on the PC.

“The Axalto Network Card technology represents an important first step toward integrating smart cards and the Internet,” said Don Davis, editor, *Card Technology* magazine. “It opens up the possibility of a whole new realm of applications in our increasingly Web-based and mobile world.”

The Network Card technology makes the development and implementation of smart card applications easier. A smart card using this technology communicates with other computers in the exact same way as any other computer on the Internet does. The elimination of specialized software and devices greatly reduces the development complexity and cost.

“With this advance, the smart card really comes into its own as a miniature computer. In the past, a smart card needed a reader and specialized software in order to communicate – it could only respond when spoken to. This new technology allows the smart card to act as a completely secure Web server that a user can literally carry in his pocket,” said Damon Turnbull, marketing director, Americas for Axalto. “We appreciate the recognition given to us by the *Card Technology* judging panel because it indicates that they share our vision and the business potential of this remarkable innovation.”

“Communicating using standard network protocols such as TCP/IP, DHCP, TLS and HTTPS, and connected using standard USB plug and play technology, the card itself establishes secure end-to-end connections. It does this using technology that resists modern network attacks such as spoofing, logging, phishing, and snooping, and in a manner that is more secure and more accessible than OTP (One Time Password) technology,” said Michael Montgomery, Axalto scientific advisor and co-inventor of the Network Card. “The Network Card increases the security and convenience in handling critical information such as certificates, private keys and passwords, while maintaining compatibility with existing software.” For users, these features enable strong identity protection, trusted communications and more secure on-line services. For enterprises, this unprecedented degree of security and portability makes rolling out new, customized services easier than ever before.

The network card advance is the latest in a series of innovations brought to market by Axalto to enable end users to more easily access personalized services in a secure manner. In 1996, the company developed the first microprocessor card using Java technology; Java Card has since been included in the specifications for the GSM and UTMS “third generation” wireless communications standards. In 2001, Axalto pioneered the development of the first USB-enabled microprocessor card; this card has been broadly made available for enterprises worldwide. In 2002, Axalto launched the first multi-application card compatible with Microsoft's .NET technology, which enables the creation of XML-based applications and processes; Microsoft is in the process of deploying these cards for its own corporate applications.

Axalto and its Network Card technology will be featured in the May issue of *Card Technology* magazine.

### **About Axalto**

Axalto (Euronext: NL0000400653 AXL) is the world's leading provider of microprocessor cards (Gartner Dataquest 2004) — the key to digital networks — and a major supplier of point-of-sale terminals. Its 4,500 employees come from 70 nationalities and serve customers in more than 100 countries, with worldwide sales reaching 3 billion smart cards to date. The company has 25 years' experience in smart card innovation and leads its industry in security technology and open systems.

Axalto continuously creates new generations of products for use in a variety of applications in the telecommunications, finance, retail, transport, entertainment, healthcare, personal identification, information technology and public sector markets. Microprocessor cards provide convenience, security and privacy to public and private services operators, their customers and end users.

For more information, please visit [www.axalto.com](http://www.axalto.com)

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