



Axalto and Caixa Penedes Pioneer the Migration to EMV Technology in Spain

Amsterdam, April 18, 2004 - Axalto (Euronext: NL0000400653 – AXL) today announced that it is currently supplying its high-end smart Advantis* banking cards with EMV technology to Spanish bank Caixa Penedes, pioneering the first EMV rollout in Spain. Axalto's live dynamic data authentication (DDA) cryptographic cards are based on the EMV specifications written by the Spanish banking association Sermepa. Validated and authorized by Visa International, the cards are already used in shops and cashiers prepared for the management of the EMV chip.

"As the first bank to issue Advantis-type cards in Spain, it was particularly important for us to work with an experienced leader in the smart banking card market,"* said Josep M^a Reverté, responsable del Area de Medios de Pago of Caixa Penedes. *"Axalto worked closely with us to plan and implement the entire EMV migration process."*

"EMV migration, essential for fraud reduction and improving customer service, presents a challenge to financial institutions, even the most advanced like Caixa Penedes", added Philippe Cambriel, Vice President EMEA, Axalto. *"Axalto is proud to transform this challenge into business related achievements that creates differentiation and new services for the banks cardholders. We accomplish this by providing everything needed for successful EMV migration, from consulting to cards."*

Axalto is the world's leading manufacturer of smart banking cards as ranked by the latest Frost & Sullivan survey**. In addition to a full range of smart bankcards, Axalto offers a complete EMV solution including payment terminals; software tools for customization; consulting and project management for EMV migration; and personalization and post-issuance management services.

*Advantis is an Operating System developed by SERMEPA

**World Banking Smart Cards Market - Financial & Loyalty published by Frost & Sullivan in October 2004

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 4500 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.

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For more info, please visit www.axalto.com

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