



Axalto Signs Contract to Supply 3G SIM Cards to Mobily in Saudi Arabia

Axalto and Mobily aim to serve the largest mobile communications market in the Middle East, with an estimated growth potential of 25% per year

3GSM World Congress, Barcelona, February 13, 2006 – Axalto (Euronext NL0000400653 AXL), the world's leader of microprocessor cards, today announced it has been awarded a contract by Etihad Etisalat Company (Mobily), the second mobile operator in Saudi Arabia, to supply an initial 1 million USIM cards for advanced third-generation services. The Axalto large capacity USIM features a wide variety of value-added services such as Web browsing, information on demand, infotainment and automatic handset configuration. Through this contract, Axalto and Mobily aim to serve the fast-growing Saudi Arabian market by offering advanced 3G services. Cards deliveries started this month.

Since its launch less than one year ago, Mobily has enjoyed very strong growth. In the first three months of operation, Mobily secured 1.2 million subscribers and to date, it has reached the 2.5 million mark. By deploying the Middle East's first high-capacity 3G cards, Mobily is leading technology innovation and is driving the mobile communications industry in the region. Axalto is committed to assisting them in their growth strategy, by providing them with a high-end product and ongoing technical support through an experienced local team. The Axalto cards will allow Mobily to provide their subscribers with interactive access to dynamic content and innovative services tailored to their specific needs.

"We selected Axalto for their strong regional presence and technological leadership," commented Mr. Khaled M. Khatib, technical marketing manager at Mobily. "Also, the well-known reliability of their products was instrumental in the decision process."

Philippe Cambriel, president EMEA, Axalto, added: *"Mobily has achieved a record number of subscribers in record time and selected Axalto to support its aggressive growth plans. We are proud to be part of this venture."*

About Axalto

Axalto (Euronext: NL0000400653 AXL) is the world's leading provider of microprocessor cards (Gartner 2005, Frost & Sullivan 2004) — the key to digital networks — and a major supplier of point-of-sale terminals. Its 4500 employees come from over 65 nationalities and serve customers in more than 100 countries, with worldwide sales exceeding 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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