



Axalto and S2M Launch First EMV Cards Personalization in Morocco

Leveraging Axalto technology, S2M is now ready to support banks in their migration to chip

Amsterdam, The Netherlands, May 3, 2006– Axalto (Euronext: NL0000400653 – AXL), the world's leader in microprocessor cards, today announced it has supplied an EMV (Europay MasterCard Visa) personalization solution to the "Société Maghrébine de Monétique" (S2M), North Africa's leader in payment system solutions. With its Morocco-based EMV personalization center fully operational, S2M is poised to support banks in their migration to chip and will drive the move in the country. Axalto provides EMV card production and pre-personalization services and the first smart banking cards will be issued by mid-2006.

Axalto provided S2M with a complete EMV package including consulting services, data preparation tools and a personalization software suite. Axalto also supplied the associated training to allow S2M to adapt their own personalization scripts to specific profiles, cards and applications that banks may request.

With EMV migration gaining momentum in Morocco, S2M's personalization center is fully operational and ready to serve financial institutions as they migrate from magnetic stripe to chip cards. The EMV standard offers end users increased security and greater convenience in transactions, as well as innovative services based on multi-application cards. Adopting smart card technology improves banks' differentiation by enhancing their offerings with value-added services such as loyalty programs, cardholder authentication for e-commerce, on-line services and smart ticketing.

"We selected Axalto for its extensive experience in setting up EMV personalization solutions around the world," commented Aziz Daddane, managing director, S2M. "Axalto's renowned expertise in supporting banks in their migration to EMV was key in the decision process. The excellent technical level of the proposed solution, as well as its cost-effectiveness, were other major advantages."

"S2M has been a valued partner to Axalto for about ten years and this new milestone illustrates the consistency of our relationship," added Philippe Cambriel, president EMEA, Axalto. "Performing EMV personalization will reinforce S2M's positioning of undisputed leader in the Moroccan banking market."

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. For more info, please visit www.axalto.com

About S2M

With over 20 years' experience in developing and implementing software payment solutions and in personalizing payment means, S2M stands as a regional leader in its branch. Its expertise has gained recognition throughout the world.

Its payment systems solution, SELECT System®, is native EMV, complete, modular, includes a Front-Office (Switch, ATM, POS & e-commerce) and a Back-Office (issuing & acquiring). It addresses, in terms of payment solutions, the needs of banks, process centres, credit organisms, oil companies, telecom operators, ...

In addition to its software payment system, S2M offers a wide range of services: consulting and EMV migration, implementation, certification, training, assistance and maintenance.

Its production centre, ISO 9001 version 2000 certified, is also certified by Visa and MasterCard International for stripe and smart cards personalization.

Over a hundred institutions in North and West Africa, North America, Asia, and in the Middle-East rely on S2M solutions and services.

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