



Axalto Reveals Finalists in 2005 e-gate Open Contest, the Worldwide USB Smart Card Developer Program

Co-sponsored with Sun Microsystems and ST Microelectronics, the Axalto e-gate Open contest aims at driving the new generation of smart card applications

JavaOne tradeshow, San Francisco, June 28, 2005 –Axalto (Euronext: NL0000400653 – AXL) the world's number one provider of microprocessor cards, in association with Sun Microsystems and ST Microelectronics, today announced the six finalists of the e-gate Open 2005 contest. Participants - software developers across the globe - were invited to develop new secure e-business solutions or applications using the Axalto e-gate technology, which allows smart cards to be connected directly to the USB port of any computing device, without the need for a reader.

The third edition of the contest gathered more than 80 projects submitted from more than 22 countries. All entries were judged by an international panel composed of journalists, industry leaders and smart card experts. Projects were assessed according to key criteria such as innovation, marketing appeal, ease of implementation, cost-effectiveness, security and business potential.

The contest will award a total of 30,000 euros (over 35,000 US dollars), an international business and study trip to the Sun Executive Briefing center, as well as assistance with developing and marketing the selected applications.

“For the third edition of the e-gate Open contest, we saw many exciting ideas for USB e-gate smart card applications that will provide businesses tomorrow with convenient solutions to the ever-increasing need for security and privacy in the digital world. By relying on the widely available USB standard, Axalto e-gate technology enables e-gate powered smart devices to directly plug into a Personal Computer without the cost and complexity of a card reader. The ability to deliver security and privacy without sacrificing ease of use for end users is rapidly becoming an important differentiator,” comments Olivier Piou, Axalto chief executive officer. *“The Axalto e-gate Open contest continues to challenge creative minds from all over the world to leverage the high potential of e-gate technology for secure and user-friendly applications.”*

The six finalists are, in alphabetical order:

- e-gate HSM, from Egypt
- Funkey, from France
- IP-SIM, from Italy
- Smart Music, from Singapore
- TrustedPresence, from the USA
- TV-Gate, from Spain

The finalists will be demonstrating their creative USB card applications during the JavaOne show, on the Axalto booth 1415. The final winners will be announced at the Axalto booth on June 28, at 12:00pm.

To view Scott McNealy's keynote speech and Olivier Piou's intervention at JavaOne, go to:

<http://wcdata.sun.com/webcast/archives/VIP-1981/>

About Axalto

Axalto (Euronext: NL0000400653 AXL) is the world's leading provider of microprocessor cards (Gartner Dataquest 2004) — the keys 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. For more information, visit us at www.axalto.com

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