Gemalto N.V.
Minutes of the Annual General Meeting of Shareholders
held on May 14, 2008

(This is not a verbatim account of the proceedings)

1. Opening and announcements

Mr. Alex Mandl, chairman (“Chairman”) of the board of directors (“Board”) of Gemalto N.V. (“Company”), speaking on behalf of the Board, opens the 2008 Annual General Meeting of Shareholders of the Company (“AGM”), at the Radisson SAS Hotel, Boeing Avenue 2, Schiphol-Rijk, the Netherlands at 10:30 a.m. CET on Wednesday, May 14, 2008 and welcomes all present at the meeting. The Chairman introduces to the meeting each Board member attending. Messrs. Olivier Piou, Geoffrey Fink and John de Wit are not present and have asked to be excused for personal reasons.

The Chairman welcomes Mr. Jacques Tierny, Chief Financial Officer (“CFO”) and Mr. Jean-Pierre Charlet, General Counsel and Company Secretary. Mr. Charlet acts as the secretary of the meeting (“Secretary”). The Chairman also welcomes the Company’s Dutch legal advisor, Ms. Sophie Versteeghe of the law firm De Brauw Blackstone Westbroek N.V., as well as the Company’s external auditor, Mr. Fernand Izeboud of the accountants firm PricewaterhouseCoopers Accountants N.V.

On the request of the Chairman, Mr. Charlet makes the following announcements.

The proceedings of the meeting will be recorded, only for internal purposes and use, to facilitate the preparation of the minutes. The language of the meeting is English.

The meeting has been convened with due observance of all legal and statutory provisions. The notice to attend the meeting, including the agenda, has been published in ‘Het Financieele Dagblad’ and ‘La Tribune’ on April 28, 2008.

The agenda, including the explanatory notes, the 2007 Annual Report, including the 2007 Financial Statements, information on the persons proposed for reappointment to the Board, the full text of the proposed Remuneration Policy, as well as the Dutch text of the proposed amendments to the Company’s Articles of Association and an unofficial English translation thereof, are available at the meeting. These documents have been made available for inspection at the offices of the Company in Amsterdam and at the offices of Axalto International SAS in Meudon, France as of April 28, 2008 and have been published on Gemalto’s website.

No shareholders have requested to place any items on the agenda.

Except for the following resolutions, the resolutions placed on the agenda and set out in the explanatory notes to the agenda, shall be adopted by an absolute majority of the votes cast in a General Meeting of Shareholders where at least one-fourth of the issued share capital is present or represented:
Resolution 6a, 6b and 6c: the resolutions to reappoint Board members shall be adopted by an absolute majority of the votes cast in a General Meeting of Shareholders, without a quorum being required, as the reappointments were proposed by the Board.

Resolution 9: the resolution to amend the Company's Articles of Association shall be adopted with a two-third majority of the votes cast in a General Meeting of Shareholders where at least one-third of the issued share capital is present or represented.

Resolution 12b: the resolution to authorize the Board to limit or exclude pre-emptive rights accruing to shareholders upon the issue of shares or the granting of rights to acquire shares shall be adopted with a two-third majority of the votes cast in a General Meeting of Shareholders in the event that less than 50% of the issued share capital is present or represented, notwithstanding the aforementioned quorum requirement of at least one-fourth of the issued share capital.

According to the attendance list, the holders of 28,551,636 shares are present or represented at the AGM, who may cast the same number of votes, which is 34.32% of the issued share capital, therefore valid resolutions can be taken with regard to all items on the agenda.

The Chairman proposes that voting during the meeting shall be by acclamation per item, provided that persons entitled to vote are free to explicitly cast their votes against a proposal or to abstain from voting during the meeting. There are no objections against this decision from the meeting.

During the meeting, the Company’s external auditor may be questioned on his auditor's report and his audit activities regarding the Company's 2007 Financial Statements. However the content of the financial statements remains the responsibility of the Board.

The Chairman concludes this item of the meeting.

2a. **Presentation Annual Report 2007**

The Chairman proceeds with the next item on the agenda: the Annual Report of the Board for the financial year 2007.

The Chairman expresses his appreciation to the Board for its Annual Report. Further to the invitation of the Chairman, Mr. Tierny, CFO presents to the meeting a summary of the most important developments in the financial year 2007 and the current state of affairs, the presentation which is attached hereto.

The Chairman thanks the CFO for his presentation and gives the shareholders the opportunity to discuss and ask questions regarding the Annual Report. Since none of the shareholders wishes to ask questions, the Chairman concludes this item of the meeting.

2b. **Language of the Annual Report**

The Chairman proceeds with the next item on the agenda: the language of the Annual Report.

The Annual Report, including the Financial Statements, are drawn up in the English language, as authorized by the shareholders. In previous years, the Company made unofficial French
translations of the English Annual Report. Gemalto has decided to publish its Annual Report only in the English language as from this year.

The Chairman gives the shareholders the opportunity to discuss and ask questions. Since none of the shareholders wishes to ask questions, the Chairman concludes this item of the meeting.

3. Adoption of the 2007 Financial Statements

The Chairman proceeds with the next item on the agenda: the adoption of the 2007 Financial Statements.

The Chairman gives the shareholders the opportunity to discuss and ask questions regarding the Financial Statements. Since none of the shareholders wishes to ask questions, the Chairman proposes to the meeting to adopt the Company's 2007 Financial Statements as drawn up by the Board.

The Chairman asks whether there are any votes against the proposal or any abstentions. Netherlands Management Company B.V. ("NMC"), on behalf of Euroclear France S.A. and on behalf of other shareholders, confirms that 28,551,636 shares have voted in favor of the resolution and 0 shares have voted against or have abstained from voting. The votes in favor represent 100%. The Chairman determines that the proposal is adopted.

The Chairman concludes this item of the meeting.

4. Dividend policy and allocation of 2007 results

The Chairman proceeds with the next item on the agenda: the dividend policy and the allocation of the 2007 results.

Mr. Charlet informs that the Company’s current policy on additions to reserves and distributions of dividends is that the amount of dividends to be paid by the Company to its shareholders shall be determined by taking into consideration the Company’s capital requirements, return on capital, current and future rates of return and market practices, notably in its business sector, as regards the distribution of dividends.

The Company will not pay a dividend in 2008 in respect of the 2007 financial year, as determined by the Board with due observance of the Company's policy on additions to reserves and distributions of dividends. The Board has decided to allocate the results of the year 2007 to the retained earnings.

The Chairman gives the shareholders the opportunity to discuss and ask questions. Since none of the shareholders wishes to ask questions, the Chairman concludes this item of the meeting.

5a. Discharge of the Chief Executive Officer and the Executive Chairman for the fulfillment of their duties during the past financial year
The Chairman proceeds with the next item on the agenda: the discharge of the Chief Executive Officer and the Executive Chairman from liability in respect of the fulfillment of their respective duties during the financial year 2007.

The Chairman gives the shareholders the opportunity to discuss and ask questions. Since none of the shareholders wishes to ask questions, the Chairman proposes to the meeting to discharge the Chief Executive Officer and the Executive Chairman from liability in respect of the fulfillment of their respective duties during the financial year 2007.

The Chairman asks whether there are any votes against the proposal or any abstentions. NMC, on behalf of Euroclear France S.A. and on behalf of other shareholders, confirms that 28,551,636 shares have voted in favor of the resolution, 0 shares have voted against or have abstained from voting. The votes in favor represent 100%. The Chairman determines that the proposal is adopted.

The Chairman concludes this item of the meeting.

5b. **Discharge of the non-executive Board members for the fulfillment of their duties during the past financial year**

The Chairman proceeds with the next item on the agenda: the discharge of the non-executive Board members from liability in respect of the fulfillment of their respective duties during the financial year 2007.

The Chairman gives the shareholders the opportunity to discuss and ask questions. Since none of the shareholders wishes to ask questions, the Chairman proposes to the meeting to discharge the non-executive Board members from liability in respect of the fulfillment of their respective duties during the financial year 2007.

The Chairman asks whether there are any votes against the proposal or any abstentions. NMC, on behalf of Euroclear France S.A. and on behalf of other shareholders, confirms that 28,551,636 shares have voted in favor of the resolution, 0 shares have voted against or have abstained from voting. The votes in favor represent 100%. The Chairman determines that the proposal is adopted.

The Chairman concludes this item of the meeting.

6a. **Reappointment of Mr. Geoffrey Fink until the close of the AGM of 2012**

The Chairman proceeds with the next item on the agenda: the reappointment of Mr. Geoffrey Fink as a non-executive Board member until the close of the AGM of 2012.

The Chairman gives the shareholders the opportunity to discuss and ask questions. Since none of the shareholders wishes to ask questions, the Chairman proposes to the meeting to reappoint Mr. Geoffrey Fink as a non-executive member of the Board as of May 14, 2008 for a period ending at the close of the Company's Annual General Meeting of Shareholders to be held in 2012.

The Chairman asks whether there are any votes against the proposal or any abstentions. NMC, on behalf of Euroclear France S.A. and on behalf of other shareholders, confirms that 28,326,778
shares have voted in favor of the resolution, 224,858 shares have voted against and 0 shares have abstained from voting. The votes in favor represent 99.21%. The Chairman determines that the proposal is adopted.

The Chairman concludes this item of the meeting.

6b. Reappointment of Mr. Arthur van der Poel until the close of the AGM of 2012

The Chairman proceeds with the next item on the agenda: the reappointment of Mr. Arthur van der Poel as a non-executive Board member until the close of the AGM of 2012.

The Chairman gives the shareholders the opportunity to discuss and ask questions. Since none of the shareholders wishes to ask questions, the Chairman proposes to the meeting to reappoint Mr. Arthur van der Poel as a non-executive Board member as of May 14, 2008 for a period ending at the close of the Company's Annual General Meeting of Shareholders to be held in 2012.

The Chairman asks whether there are any votes against the proposal or any abstentions. NMC, on behalf of Euroclear France S.A. and on behalf of other shareholders, confirms that 28,342,786 shares have voted in favor of the resolution, 208,850 shares have voted against and 0 shares have abstained from voting. The votes in favor represent 99.27%. The Chairman determines that the proposal is adopted.

The Chairman concludes this item of the meeting.

6c. Reappointment of Mr. Olivier Piou Poel until the close of the AGM of 2012

The Chairman proceeds with the next item on the agenda: the reappointment of Mr. Olivier Piou as Board member with the title of Chief Executive Officer until the close of the AGM of 2012.

The Chairman gives the shareholders the opportunity to discuss and ask questions. Since none of the shareholders wishes to ask questions, the Chairman proposes to the meeting to reappoint Mr. Olivier Piou as Board member with the title of Chief Executive Officer as of May 14, 2008 for a period ending at the close of the Company's Annual General Meeting of Shareholders to be held in 2012.

The Chairman asks whether there are any votes against the proposal or any abstentions. NMC, on behalf of Euroclear France S.A. and on behalf of other shareholders, confirms that 28,349,878 shares have voted in favor of the resolution, 201,758 shares have voted against and 0 shares have abstained from voting. The votes in favor represent 99.29%. The Chairman determines that the proposal is adopted.

The Chairman concludes this item of the meeting.

7. Amendment of the Remuneration Policy for the Chief Executive Officer

The Chairman proceeds with the next item on the agenda: the amendment of the Remuneration Policy for the Chief Executive Officer.
The Chairman gives the shareholders the opportunity to discuss and ask questions. Since none of the shareholders wishes to ask questions, the Chairman proposes to the meeting to amend as per the financial year 2008 the Remuneration Policy for the Chief Executive Officer, as described in the explanatory notes to and Annex 2 of the agenda.

The Chairman asks whether there are any votes against the proposal or any abstentions. NMC, on behalf of Euroclear France S.A. and on behalf of other shareholders, confirms that 26,281,166 shares have voted in favor of the resolution, 2,068,712 shares have voted against and 201,758 shares have abstained from voting. The votes in favor represent 92.05%. The Chairman determines that the proposal is adopted.

The Chairman concludes this item of the meeting.

8. 2007 grant of restricted share units to the Chief Executive Officer

The Chairman proceeds with the next item on the agenda: the approval of the grant to Mr. O. Piou, as of September 27, 2007, of a number of restricted share units that may vary from 0 up to 80,000 with a maximum multiplier of three.

The Chairman gives the shareholders the opportunity to discuss and ask questions. Since none of the shareholders wishes to ask questions, the Chairman proposes to the meeting to approve the grant to Mr. O. Piou, as of September 27, 2007, of a number of restricted share units that may vary from 0 up to 80,000 with a maximum multiplier of three (i.e. up to 240,000).

The Chairman asks whether there are any votes against the proposal or any abstentions. NMC, on behalf of Euroclear France S.A. and on behalf of other shareholders, confirms that 24,884,624 shares have voted in favor of the resolution, 3,459,254 shares have voted against and 207,758 shares have abstained from voting. The votes in favor represent 87.16%. The Chairman determines that the proposal is adopted.

The Chairman concludes this item of the meeting.

9. Amendment of the Articles of Association of the Company

The Chairman proceeds with the next item on the agenda: the amendment of the Articles of Association of the Company.

The Chairman gives the shareholders the opportunity to discuss and ask questions. Since none of the shareholders wishes to ask questions, the Chairman proposes to the meeting to amend the Articles of Association of the Company, as described in the explanatory notes and Annex 3 of the agenda, and authorization in connection with the amendment of the Articles of Association to any and all Board members, as well as to any and all lawyers and paralegals practising with De Brauw Blackstone Westbroek N.V., to draw up the draft of the notarial deed of amendment of the Articles of Association, to apply for the required ministerial declaration of non-objection on the draft mentioned, as well as to execute the notarial deed of amendment to the Articles of Association.
The Chairman asks whether there are any votes against the proposal or any abstentions. NMC, on behalf of Euroclear France S.A. and on behalf of other shareholders, confirms that 22,501,935 shares have voted in favor of the resolution, 4,274,513 shares have voted against and 1,775,188 shares have abstained from voting. The votes in favor represent 78.81%. The Chairman determines that the proposal is adopted.

The Chairman concludes this item of the meeting.

10. **Renewal of authorization of the Board to repurchase shares in the share capital of the Company**

The Chairman proceeds with the next item on the agenda: the renewal of authorization of the Board to repurchase shares in the share capital of the Company.

The Chairman gives the shareholders the opportunity to discuss and ask questions. Since none of the shareholders wishes to ask questions, the Chairman proposes to the meeting to irrevocably authorize the Board as from May 14, 2008 to cause the Company to acquire, whether as an on or off financial market purchase, shares in the share capital of the Company up to the maximum percentage of shares that the Company – by law or by virtue of its Articles of Association – may acquire in its own share capital at any moment for a period of eighteen months up to and including November 13, 2009, on such dates and in such portions as the Board may deem appropriate and in consideration of a purchase price per share which shall not be less than the par value of the shares to be repurchased and not be more than 110% of the average closing share price per share in the Company on Eurolist by Euronext Paris S.A. during the five business days preceding the date on which the shares concerned are acquired by or on behalf of the Company.

The Chairman asks whether there are any votes against the proposal or any abstentions. NMC, on behalf of Euroclear France S.A. and on behalf of other shareholders, confirms that 28,551,636 shares have voted in favor of the resolution, 0 shares have voted against or have abstained from voting. The votes in favor represent 100%. The Chairman determines that the proposal is adopted.

The Chairman concludes this item of the meeting.

11a. **Cancellation of three million shares currently held by the Company in its own share capital, to be effected in accordance with Dutch regulations (i.e. approximately two months following the AGM)**

The Chairman proceeds with the next item on the agenda: the cancellation of three million shares currently held by the Company in its own share capital.

The Chairman gives the shareholders the opportunity to discuss and ask questions. Since none of the shareholders wishes to ask questions, the Chairman proposes to the meeting to cancel three million shares currently held by the Company in its own share capital, to be effected in accordance with Dutch law (i.e. completed approximately within two months following the AGM).
The Chairman asks whether there are any votes against the proposal or any abstentions. NMC, on behalf of Euroclear France S.A. and on behalf of other shareholders, confirms that 28,346,448 shares have voted in favor of the resolution, 3,430 shares have voted against and 201,758 shares have abstained from voting. The votes in favor represent 99.28%. The Chairman determines that the proposal is adopted.

The Chairman concludes this item of the meeting.

11b. Cancellation of shares that the Company currently holds in its own share capital, as well as shares that will be acquired by the Company in its own share capital not exceeding 9,101,584 shares, i.e. 10% of the Company’s issued share capital as per March 31, 2008

The Chairman proceeds with the next item on the agenda: the cancellation of shares in the share capital of the Company, the number of shares that may be cancelled (whether or not in one tranche) to be determined by the Board, but not exceeding 9,101,584 shares (i.e. 10% of the Company’s issued share capital as per March 31, 2008).

The Chairman gives the shareholders the opportunity to discuss and ask questions. Since none of the shareholders wishes to ask questions, the Chairman proposes to the meeting to cancel shares that the Company currently holds in its own share capital, as well as shares that will be acquired by the Company in its own share capital. This cancellation may be executed in one or more tranches and the number of shares that may be cancelled (whether or not in one tranche) shall be determined by the Board, but shall not exceed 9,101,584 shares (i.e. 10% of the Company’s issued share capital as per March 31, 2008).

The Chairman asks whether there are any votes against the proposal or any abstentions. NMC, on behalf of Euroclear France S.A. and on behalf of other shareholders, confirms that 28,156,651 shares have voted in favor of the resolution, 193,227 shares have voted against and 201,758 shares have abstained from voting. The votes in favor represent 98.62%. The Chairman determines that the proposal is adopted.

The Chairman concludes this item of the meeting.

12a. Extension of the authorization of the Board to issue shares and to grant rights to acquire shares in the share capital of the Company

The Chairman proceeds with the next item on the agenda: the extension of the authorization of the Board for a five-year period to issue shares and to grant rights to acquire shares in the share capital of the Company, which authorization relates to all issuable shares of the Company.

The Chairman gives the shareholders the opportunity to discuss and ask questions. Since none of the shareholders wishes to ask questions, the Chairman proposes to the meeting to irrevocably authorize the Board as from March 18, 2009, for a five-year period, up to and including March 17, 2014 as the corporate body to resolve upon the issue of shares and the granting of rights to acquire shares in the share capital of the Company and to determine the terms and conditions of such issue or granting. This authorization relates to all issuable shares as allowed by the
authorized share capital, as expressed in the Articles of Association of the Company, as they may read from time to time.

The Chairman asks whether there are any votes against the proposal or any abstentions. NMC, on behalf of Euroclear France S.A. and on behalf of other shareholders, confirms that 24,216,893 shares have voted in favor of the resolution, 4,334,743 shares have voted against and 0 shares have abstained from voting. The votes in favor represent 84.82%. The Chairman determines that the proposal is adopted.

The Chairman concludes this item of the meeting.

12b. **Extension of the authorization of the Board to limit or exclude pre-emption rights in connection with an issue of shares or the grant of rights to acquire shares in the share capital of the Company**

The Chairman proceeds with the next item on the agenda: the extension of the authorization of the Board for a five-year period to limit or exclude pre-emptive rights accruing to shareholders upon the issue of shares and the granting of rights to acquire shares in the share capital of the Company.

The Chairman gives the shareholders the opportunity to discuss and ask questions. Since none of the shareholders wishes to ask questions, the Chairman proposes to the meeting to irrevocably authorize the Board as from March 18, 2009, for a five-year period, up to and including March 17, 2014 as the corporate body to limit or exclude pre-emptive rights accruing to shareholders upon the issue of shares or the granting of rights to acquire shares in the share capital of the Company by the Board under the authorization referred to under (a).

The Chairman asks whether there are any votes against the proposal or any abstentions. NMC, on behalf of Euroclear France S.A. and on behalf of other shareholders, confirms that 24,216,893 shares have voted in favor of the resolution, 4,334,743 shares have voted against and 0 shares have abstained from voting. The votes in favor represent 84.82%. The Chairman determines that the proposal is adopted.

The Chairman concludes this item of the meeting.

13. **Reappointment of PricewaterhouseCoopers Accountants N.V. as external auditor for the financial year 2008**

The Chairman proceeds with the next item on the agenda: the reappointment of PricewaterhouseCoopers Accountants N.V. as external auditor for the financial year 2008.

The Chairman gives the shareholders the opportunity to discuss and ask questions. Since none of the shareholders wishes to ask questions, the Chairman proposes to the meeting to reappoint PricewaterhouseCoopers Accountants N.V. as the Company's external auditor for the financial year 2008.
The Chairman asks whether there are any votes against the proposal or any abstentions. NMC, on behalf of Euroclear France S.A. and on behalf of other shareholders, confirms that 28,551,636 shares have voted in favor of the resolution, 0 shares have voted against or have abstained from voting. The votes in favor represent 100%. The Chairman determines that the proposal is adopted.

The Chairman concludes this item of the meeting.

14. Questions

The Chairman proceeds with the last item on the agenda and gives the shareholders the opportunity to ask questions with respect to items that have not previously been discussed.

Since none of the shareholders wishes to ask questions, the Chairman concludes this item of the meeting.

Adjournment

The Chairman thanks everyone on behalf of the Board for their attendance and contribution to the discussion at the AGM and closes the meeting at 11 a.m.

Signed on November 7, 2008

Chairman
Mr. Alex Mandl

Secretary
Mr. Jean-Pierre Charlet

Attachment: Presentation made by the CFO under item 2a (eight slides)
2008 Annual General Meeting

Jacques Tierny, CFO

May 14th, 2008

www.gemalto.com
Disclaimer

Forward-Looking Statements
This communication contains certain statements that are neither reported financial results nor other historical information and other statements concerning Gemalto. These statements include financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations with respect to future operations, events, products and services and future performance. Forward-looking statements are generally identified by the words "expects", "anticipates", "believes", "intends", "estimates" and similar expressions. These and other information and statements contained in this communication constitute forward-looking statements for purposes of applicable securities laws. Although management of the company believes that the expectations reflected in the forward-looking statements are reasonable, investors and security holders are cautioned that forward-looking information and statements are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond the control of the companies, that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements, and the companies cannot guarantee future results, levels of activity, performance or achievements. Factors that could cause actual results to differ materially from those estimated by the forward-looking statements contained in this communication include, but are not limited to: the ability of the company's to integrate according to expectations; the ability of the company to achieve the expected synergies from the combination; trends in wireless communication and mobile commerce markets; the company's ability to develop new technology and the effects of competing technologies developed and expected intense competition generally in the companies' main markets; profitability of expansion strategy; challenges to or loss of intellectual property rights; ability to establish and maintain strategic relationships in their major businesses; ability to develop and take advantage of new software and services; the effect of the combination and any future acquisitions and investments on the companies' share prices; and changes in global, political, economic, business, competitive, market and regulatory forces. Moreover, neither the companies nor any other person assumes responsibility for the accuracy and completeness of such forward-looking statements. The forward-looking statements contained in this communication speak only as of the date of this communication and the companies are under no duty, and do not undertake, to update any of the forward-looking statements after this date to conform such statements to actual results, to reflect the occurrence of anticipated results or otherwise.
Full year 2007 highlights

- Adjusted operating income up 40% at € 84m*
- Successful implementation of price recovery, cost streamlining, and restructuring
- Strong performance in Mobile Communication leveraging H2 growth
- Restructuring program well underway to return Secure Transactions to profit
- Security continues to develop, driven by growth in Government Programs (up 23%)
- Clear segmentation enables the capturing of more market value

* Operating income variation is by reference to FY2006 figure and stated at historical exchange rates
2007 results on track towards our 2009 objective

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</thead>
<tbody>
<tr>
<td>€ in millions</td>
<td>925.5</td>
<td>413.4</td>
<td>192.9</td>
<td>43.7</td>
<td>56.0</td>
<td>1631.5</td>
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<tr>
<td>Revenue</td>
<td>345.5</td>
<td>75.1</td>
<td>59.4</td>
<td>10.6</td>
<td>9.6</td>
<td>500.2</td>
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<td>Gross profit</td>
<td>224.2</td>
<td>89.7</td>
<td>86.5</td>
<td>4.0</td>
<td>15.6</td>
<td>419.9</td>
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<tr>
<td>Operating expenses</td>
<td>122.7</td>
<td>(13.9)</td>
<td>(26.7)</td>
<td>7.3</td>
<td>(5.9)</td>
<td>83.7</td>
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<tr>
<td>Operating income</td>
<td>122.7</td>
<td>(13.9)</td>
<td>(26.7)</td>
<td>7.3</td>
<td>(5.9)</td>
<td>83.7</td>
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**Mobile Communication**
- Back to growth in H2 ’07
- Gross margin up 3.7 ppt to 37%
- Software and services up 30% at € 40m
- Operating margin at 13%

**Secure Transactions**
- Resilient revenue in 2007
- Operating expenses down 4% yet most cost adjustment will materialize significantly only in 2008
- 2007 was a year of transition towards break-even in 2008

**Security**
- Revenue up 6%, with good performance in Government Programs
- Commercial effort successful with 10 new governmental contracts won in 2007

* Adjusted results, excluding one-off expenses incurred in connection with the combination with Gemplus, reorganization charges and charges resulting from the accounting treatment of the transaction
Q1’2008: a good start into 2008

<table>
<thead>
<tr>
<th>Q1’2008 *</th>
<th>Mobile Communication</th>
<th>Secure Transactions</th>
<th>Security</th>
</tr>
</thead>
<tbody>
<tr>
<td>€ in millions</td>
<td>223.4</td>
<td>100.9</td>
<td>47.3</td>
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<tr>
<td>Gemalto</td>
<td>387.6</td>
<td></td>
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<tr>
<td>Year on Year variation at constant exchange rates</td>
<td>+22%</td>
<td>+5%</td>
<td>+14%</td>
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<td>+12%</td>
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**Mobile Communication**
- Improving mix in all regions
- Year on Year SIM cards average selling price increased by 2%
- Software and managed services revenue more than doubled compared to Q1’07

**Secure Transactions**
- Payment revenue up by 12%
- expanding EMV migrations
- 29% growth in personalization
- high dual interface card volumes
- Price discipline in Pay-TV and Transport reduced revenue growth

**Security**
- Segment revenue up 26% when excluding patent licenses
- Government Programs revenue up by 30%
- Identity & Access Management revenue up by 19%

* Adjusted results, excluding one-off expenses incurred in connection with the combination with Gemplus, reorganization charges and charges resulting from the accounting treatment of the transaction, revenue and ASP variations are stated at constant exchange rates
Very solid balance sheet

<table>
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<tbody>
<tr>
<td><strong>Property, plant &amp; equipment</strong></td>
<td>243</td>
<td>217</td>
</tr>
<tr>
<td><strong>Goodwill</strong></td>
<td>548</td>
<td>544</td>
</tr>
<tr>
<td><strong>Other intangibles</strong></td>
<td>116</td>
<td>74</td>
</tr>
<tr>
<td><strong>Net Fixed Assets</strong></td>
<td>906</td>
<td>835</td>
</tr>
<tr>
<td><strong>Working Capital Requirements</strong></td>
<td>197</td>
<td>176</td>
</tr>
<tr>
<td><strong>Other Assets (Liabilities), Nets</strong></td>
<td>(55)</td>
<td>(83)</td>
</tr>
<tr>
<td><strong>Total Capital Employed, Net</strong></td>
<td>1,048</td>
<td>928</td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td>1,417</td>
<td>1,231</td>
</tr>
<tr>
<td><strong>Minority interest</strong></td>
<td>27</td>
<td>12</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td>1,444</td>
<td>1,242</td>
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<tr>
<td><strong>Net Debt (Net Cash)</strong></td>
<td>(396)</td>
<td>(314)</td>
</tr>
<tr>
<td><strong>Total Capital Invested, Net</strong></td>
<td>1,048</td>
<td>928</td>
</tr>
</tbody>
</table>

Working Capital Requirements as a percentage of the annualized last quarter’s revenue

10% 9%

* Compared to the published consolidated financial statements for the year ended December 31, 2006, balance sheet has been modified due to the reassessment of the fair value of certain assets acquired, liabilities and contingent liabilities assumed from Gemplus at the combination date.
Our 2009 objective of 10% adjusted operating margin remains unchanged.

In 2008 we will benefit from the robust market demand we currently experience in our main segments. Our leadership position is generating commercial and operational advantages and we are encouraged by the progress in our performance. We currently see no evidence of the global financial turmoil impacting our activities, aside from the evolution in the average exchange rates between the Euro and other currencies. Growth and increased profitability will be driven, besides higher synergies, by the return to growth in Mobile Communications, the return to profit in Secure Transactions, and the ramp up of our recent contract wins in Security.

The successful completion of our 2006-2009 plan will create a strong foundation for our next phase of development.
World Leader in Digital Security ✦
Markets in Strong Development ✦
Unique Technology Portfolio ✦
Blue Chip Customers ✦
Large Free Float and Robust Financials ✦
A Business Model with Strong Leverage on Growth ✦