SUMMARY OF THE DRAFT RESOLUTIONS SUBMITTED TO THE SHAREHOLDERS ANNUAL AND EXTRAORDINARY GENERAL MEETINGS OF APRIL 27, 2004

The reports presented in items 1(i) and (ii), 2 and 3 of the shareholders annual meeting of the company do not need the shareholders approval under Luxembourg law and therefore are not submitted to their vote.

The other resolutions of the shareholders annual and extraordinary general meetings are submitted to the shareholders’ vote.

I. ANNUAL GENERAL MEETING OF SHAREHOLDERS OF THE COMPANY

1) Presentation of the Board of Directors reports

(i) Report by the Board of Directors to the General Meeting in accordance with Article 57 of the Luxembourg law on commercial companies dated August 10, 1915

Article 57 of the Law on commercial companies dated August 10, 1915, stipulates that the Board of Directors inform the General Meeting of any operations performed since the last General Meeting in which a director may have had an interest conflicting with the interests of the Company. Since April 29, 2003, the operations of this nature concern:

- the abstention of Mr. Werner Koepf on the approval of his nomination as a member of the Audit Committee on October 28, 2003.

- Mr. Thierry Dassault’s abstention at the Board meeting of December 10, 2003 on the approval in principle of the contemplated transfer of certain subsidiaries of Gemplus S.A. to Gemplus International S.A. subject to the consultation of the workers committee of Gemplus S.A. Mr. Thierry Dassault abstained based upon his opinion that he had a potential conflict of interest, also being a member of a supervisory board of Gemplus S.A. The general counsel of the Company informed the Board that under Luxembourg company law, common directors do not necessarily have a conflict of interest and are not necessarily required to abstain if they have no personal interest in the transaction, as is the case in this matter (and as distinguished from French law, pursuant to which a common director would be
required to abstain from the deliberation and vote). On this basis, the Chairman of the Board (also Chairman of the supervisory board of Gemplus S.A., decided that he did not have a conflict of interest and did not abstain from the deliberation and vote.

- Messrs. Vignon and Mandl’s abstention at the Board meeting of March 9, 2003 on the delegation of authority for the finalization of the report with respect to article 60 of the Luxembourg company law as regards the Chairman and CEO’s 2003 compensation.

(ii) Report by the Board of Directors to the General Meeting in accordance with Article 60 of the Luxembourg law on commercial companies dated August 10, 1915

Article 60 of the Law on commercial companies dated August 10, 1915 stipulates that the Board of Directors inform the General Meeting of the compensation paid to the Administrateur Délégué (Managing Director) to whom the day-to-day management of the company is entrusted. The report presented in this respect concerns the compensation and benefits of all kinds received by Mr. Alex Mandl in the exercise of his functions as Managing Director; it is supplemented by a report on the compensation paid to Directors.

Mr. Alex Mandl's compensation is set forth in the contract approved by the Board of Directors on August 29, 2002, the compensation terms of which were ratified by the General Meeting on December 19, 2002. In 2003, the compensation of Mr. Alex Mandl consisted of his base salary, bonus, reimbursement of the Running Costs of his US residence and other employee’s benefits.

The Compensation Committee of February 10, 2004 approved the CEO's variable bonus for, 2003, amounting to 75% of his total annual entitlement.

(2) Presentation of the Management Report by the Board of Directors of the Company for the year ended December 31, 2003

The Chief Executive Officer of the group, Mr. Alex Mandl, will make a presentation of the Management Report by the Board of Directors for the year ended December 31, 2003.

(3) Presentation by the auditors of the Company of their reports in respect of the consolidated and un-consolidated financial statements of the Company for the year ended December 31, 2003

The auditors of the Company, PricewaterhouseCoopers, will present their reports in respect of the consolidated and un-consolidated financial statements of the Company for the year ended December 31, 2003.
(4) Approval of the financial statements (annual accounts: balance sheet and statements of profit and loss) of the Company for the year ended December 31, 2003 in their consolidated form

Upon reports of the Board and the auditors of the Company for the year ended December 31, 2003, we submit to your approval the consolidated balance sheets as of December 31, 2003 and the consolidated statements of profit and loss for the year 2003.

(5) Approval of the financial statements (annual accounts: balance sheet and statements of profit and loss) of the Company for the year ended December 31, 2003 in their unconsolidated form

Upon reports of the Board and the auditors of the Company for the year ended December 31, 2003, we submit to your approval the unconsolidated balance sheets as of December 31, 2003 and the unconsolidated statements of profit and loss for the year 2003.

(6) Allocation of the results of the Company for the year ended December 31, 2003 by allocation of the annual losses to the carry forward account

We submit to your approval the allocation of the losses of the year amounting to (188,151,657) euros to the carry forward account which amounts to (398,383,309) euros and that will consequently amount to (586,534,966) euros.

(7) Grant discharge to all directors of the Company

We submit to your approval the grant of discharge to all directors of the Company listed below who have been in office during the year ended December 31, 2003:

- David BONDERMAN
- Thierry DASSAULT
- Johannes FRITZ
- Werner KOEPF
- Daniel LE GAL
- Ronald W. MACKINTOSH
- William S. PRICE, III
- Randy L. CHRISTOFFERSON
- Geoffrey FINK
- Abel G. HALPERN
- Peter KRALJIC
- Kheng Nam LEE
- Alex J. MANDL
- Dominique VIGNON
(8) **Approval to purchase, acquire or receive shares in the Company**

We submit to your approval the authorisation to the Company, or any wholly owned subsidiary, to purchase, acquire or receive shares in the Company, in the circumstances and in accordance with the following conditions as provided in the agenda summarized below:

- authorisation to the Board of Directors of the Company, or any wholly owned subsidiary, to acquire in conformity with Article 49-2 of the Luxembourg law on commercial companies and laws and regulations applicable; the maximum number of shares which may be acquired pursuant to this authorisation is 60,714,091 shares representing as of March 31, 2004 10% of the issued shares of the Company.

- decision that these acquisition of shares shall in addition be carried out in accordance with the following conditions:

  (i) to carry out a financial management policy for the Company comprising the possibility to cancel shares so redeemed;

  (ii) to grant options to purchase or to subscribe for shares to employees or officers of the Company or its subsidiaries and to remit shares upon exercise of existing purchase options;

  (iii) to remit shares in payment or exchange either in relation to external growth transactions or issues of securities giving the right to reimbursement, conversion, exchange, presentation of a warrant or by any other means to the allocation of shares of the Company;

  (iv) to proceed to purchases and sales according to market situations; and

  (v) to regulate the share price.

Shares redeemed may only be cancelled as set out under (i) above with the prior authorisation of a general meeting of shareholders held following the date hereof.

The minimum price at which shares may be acquired is 0.01 euro and the maximum acquisition price is 6 euros.

This authorisation is given for a period of 18 months, ending on October 26, 2005.

(9) **Approval of the principles of the compensation of board members**

We submit to your approval the principles of the compensation of board members, up to an aggregate maximum amount of 1,000,000 euros, the Chairman of the Board and the CEO of the Company not being entitled to these fees, receiving their compensation on a different basis.
(12) Approval of the reappointment of Mr. Randy Christofferson who resigns with effect as of May 31 2004

We submit to your approval the reappointment of Mr. Randy Christofferson for a duration ending on May 31, 2004, Mr. Randy Christofferson resigning with effect as of that date.

(13) Appointment of Mr. John Ormerod as a Director in replacement of Mr. Randy Christofferson with effect as of June 1\textsuperscript{st}, 2004

We submit to your approval the appointment of Mr. John Ormerod as a Director in replacement of Mr. Randy Christofferson with effect as of June 1\textsuperscript{st}, 2004 for a three year period to end at the annual general meeting deciding on the 2006 accounts.

(10)-(16) Approval of the appointment of Messrs. Michel Ackermans and Kurt Hellström as Directors for a three year period to end at the annual general meeting deciding on the 2006 accounts

We submit to your approval the appointment of Messrs. Michel Ackermans and Kurt Hellström as Directors for a three year period to end at the annual general meeting deciding on the 2006 accounts.

(14)-(17) Approval of the definitive election as Directors of Messrs. Geoffrey Fink and Werner Koepf (co-opted) and approval of their reappointment as Board members for a three year period to end at the annual general meeting deciding on the 2006 accounts

We submit to your approval the definitive election of Messrs. Geoffrey Fink and Werner Koepf, co-opted as Directors at the Board meeting of October 28, 2003 in replacement of Messrs. Abel Halpern and Kheng Nam Lee respectively, who had resigned and the reappointment of Messrs. Geoffrey Fink and Werner Koepf as Board members for a three year period to end at the annual general meeting deciding on the 2006 accounts.

(11)-(22) (except 12-13-14-16-17 above) Approval of the reappointment of Board members for a three year period to end at the annual general meeting deciding on the 2006 accounts

We submit to your approval the reappointment of each other Board member i.e. Messrs. David Bonderman, Johannes Fritz, Peter Kraljic, Daniel Le Gal, Alex Mandl, William S. Price and Dominique Vignon, for a three year period to end at the annual general meeting deciding on the 2006 accounts.

(23) Reappointment of the independent auditors PricewaterhouseCoopers for a one year period to end at the next annual general meeting deciding on the 2004 accounts
We submit to your approval the reappointment of the independent auditors PricewaterhouseCoopers for a one-year period to end at the next annual general meeting deciding on the 2004 accounts.

(24) Miscellaneous

II. EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS OF THE COMPANY

(1) Amendment of Article 4 of the Company’s Articles of Incorporation
We submit to your approval the amendment of Article 4 of the Company’s Articles of Incorporation in order to indicate the municipality of the registered office within which the Board of Directors may decide to establish and transfer such registered office.

(2) Amendment of Article 5.2 of the Company’s Articles of Incorporation
We submit to your approval the amendment of Article 5.2 of the Company’s Articles of Incorporation in order to adapt the number of shares to be issued under the authorised share capital without change of the authorised 400,000,000 Euros amount.

(3) Renewal of the authorization to proceed, out of the authorized share capital, to any other issuance of shares as provided for in section 5.2.2 of the by-laws
We remind you that the General Meeting of shareholders of November 10, 2000 had authorised the issue of shares within the authorised share capital of the Company. The initial duration of such authorisations was (i) five years as of the date of publication of the minutes of the shareholders’ meeting of November 10, 2000, i.e. May 31, 2001, for issue of shares provided for in section 5.2.1 i.e. in exchange of shares of Gemplus S.A. or with respect to stock options granted to employees or directors or in relation to public offering(s) of shares to take place before December 5, 2005 and (ii) three years as of the same date for any other issues of shares within the authorised share capital provided for in section 5.2.2 of the by-laws.

Therefore the authorisation by the shareholders to the Board to issue shares for general purposes (other than in exchange for shares of Gemplus S.A. or with respect to stock options granted to employees or directors or for public offerings) expires on May 31, 2004. Therefore we submit to your approval the renewal for a period of three years from publication of the deed recording the minutes of the shareholders’ meeting of April 27, 2004 in the Mémorial, the authorization granted to the Board of Directors by the extraordinary shareholders meeting of November 10, 2000 to proceed, out of the authorized share capital, to issuance of shares, other than those reserved in section 5.2.1 of the articles of incorporation, as provided for in section 5.2.2 of the articles of incorporation, with or without reserving any pre-emptive subscription rights for existing shareholders and as the Board of Directors may in its discretion determine and accordingly the amendment of the second paragraph of section 5.2 of the articles of incorporation as set out herebelow; (ii) in relation thereto to waive and authorise the Board of Directors to waive, suppress or limit pre-emptive subscription rights of existing shareholders and (iii) to acknowledge a report of the Board of Directors of the
Company relating to the circumstances and prices upon which shares may be issued against cash within the authorised share capital as provided for in section 5.2.2. of the articles of incorporation whilst suppressing pre-emptive subscription rights of existing shareholders.

Amended second paragraph of article 5.2:

“Out of the authorised share capital, the board of directors is authorised to issue further shares up to the total authorised share capital in whole or in part from time to time with or without reserving any pre-emptive subscription rights for existing shareholders and as it may in its discretion determine within a period expiring (x) for issues of shares reserved pursuant to items (i) to (iv) in 5.2.1. below, on the fifth anniversary after the date of publication of the minutes of the extraordinary general meeting held on 10th November 2000 (y) for issues of shares reserved pursuant to item (v) in 5.2.1. below as set out therein and (z) for any other issues of shares pursuant to 5.2.2. hereunder on the third anniversary after the date of publication of the minutes of the extraordinary general meeting held on 27th April 2004 (each time subject to extensions) and to determine the conditions of any such subscription (provided that part of the authorised capital is reserved as described below).”