



**GEMPLUS INTERNATIONAL S.A.**  
**Société Anonyme**  
**46A, Avenue J.F. Kennedy**  
**L-1855 Luxembourg**  
**R.C.S. Luxembourg B 73 145**  
**(the "Company")**

**SUMMARY OF THE DRAFT RESOLUTIONS SUBMITTED TO THE**  
**SHAREHOLDERS ANNUAL GENERAL MEETING OF**  
**APRIL 26, 2005**

**I. ANNUAL GENERAL MEETING OF SHAREHOLDERS OF THE COMPANY**

**(1) Presentation of the Board of Directors reports**

*The reports presented in items 1(i) and (ii) of the Shareholders Annual Meeting of the Company do not require the shareholders' approval under Luxembourg law and therefore are not submitted to the shareholders' vote.*

**(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 27, 2004, the operations of this nature concerned:*

- the abstention of Mr. Ormerod on the approval of his nomination as Chairman of the Audit Committee on June 28, 2004;
- the abstention of Messrs. Bonderman, Price and Fink at the Board meeting of October 26, 2004 on the authorization and approval of the conclusion of a fee advance agreement concluded between the Company and Mr. Mackintosh for the costs he may incur for his defense in a regulatory proceeding;
- the abstention of Mr. Fink on the approval of his nomination as a member of the Compensation Committee on February 8, 2005.

**(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 or Chief Executive Officer, "CEO") 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 CEO; 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 2004, the compensation of Mr. Alex Mandl consisted of his base

salary, bonus, reimbursement of the running costs of his US residence and other employee benefits.

The Compensation Committee of February 22, 2005 approved the CEO's variable bonus for 2004, amounting to 124,5 % 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, 2004**

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, 2004.

**(3) Presentation by the auditors of the Company of their reports in respect of the consolidated and unconsolidated financial statements of the Company for the year ended December 31, 2004**

The auditors of the Company, PricewaterhouseCoopers, will present their reports in respect of the consolidated and unconsolidated financial statements of the Company for the year ended December 31, 2004.

**(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, 2004 in their consolidated form**

Upon reports of the Board and the auditors of the Company for the year ended December 31, 2004, we submit to your approval the consolidated balance sheets as of December 31, 2004 and the consolidated statements of profit and loss for the year 2004.

**(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, 2004 in their unconsolidated form**

Upon reports of the Board and the auditors of the Company for the year ended December 31, 2004, we submit to your approval the unconsolidated balance sheets as of December 31, 2004 and the unconsolidated statements of profit and loss for the year 2004.

**(6) Allocation of the results of the Company for the year ended December 31, 2004 by allocation of the annual net income to the carry forward account**

We submit to your approval the allocation of the net income of the year amounting to 1,442,754 euros to the carry forward account, which amounts to (586,534,966) euros and that will consequently amount after allocation to (585,092,212) euros.

**(7) Grant of discharge ("quitus") to all Directors of the Company who have been in office during the year ended December 31, 2004**

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, 2004:

**Michel AKKERMANS**

**Peter KRALJIC**

**David BONDERMAN**

**Daniel LE GAL**

**Randy CHRISTOFFERSON**  
(until May 31, 2004)

**Alex MANDL**

**Thierry DASSAULT**  
(until April 27, 2004)

**Ronald W. MACKINTOSH**  
(until April 27, 2004)

**Geoffrey FINK**

**John ORMEROD**

**Johannes FRITZ**

**William S. PRICE, III**

**Kurt HELLSTRÖM**

**Dominique VIGNON**

**Werner KOEPF**

**(8) Approval to purchase, acquire or receive shares in the Company**

We submit to your approval a request to authorise the Company, or any wholly-owned subsidiary, to purchase, acquire or receive shares in the Company, from time to time over the stock exchange or in privately negotiated transactions, and in the case of acquisition for value, at a purchase price being no less than € 0.01 and no more than € 4.00 and on such terms as shall be determined by the Board of Directors of the Company, provided such purchase is in conformity with Article 49-2 of the Luxembourg Company Law and with applicable laws and regulations, such authorisation being granted for purchases completed on or before October 25, 2006;

The acquisition of shares shall in addition be carried out in accordance with the following conditions:

- (a) They may be made by all methods or means in accordance with applicable regulations.
- (b) They may be made inter alia, and by order of priority:
  - (i) to reduce the capital of the Company (in value or in number of shares);
  - (ii) to meet obligations resulting from employee share option programs or other allocations of shares to employees of the Company or of an associate company;
  - (iii) to meet obligations resulting from debt financial instruments exchangeable into equity instruments;
  - (iv) to remit shares in payment or exchange in relation to possible external growth transactions;

(v) under the terms of a liquidity contract.

Shares redeemed may only be reduced as set out under (i) above with the prior authorisation of a General Meeting of Shareholders held following the date hereof.

(c) In accordance with Article 49-2 of the Luxembourg law concerning commercial companies, the maximum number of shares that the Company may hold pursuant to this authorisation is 10 % of the issued share capital of the Company.

**(9) Renewal of the principles of 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.

**(10) Reappointment of the independent auditors PricewaterhouseCoopers for a one year period to end at the next Annual General Meeting deciding on the 2005 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 2005 accounts.

**(11) Miscellaneous.**