

Driving Profitability in Secure Transactions

Philippe Cambriel, EVP Secure Transactions



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; changes in global, political, economic, business, competitive, market and regulatory forces; and those discussed by the companies in filings, submissions or furnishings to the SEC, including under the headings "Cautionary Statement Concerning Forward-Looking Statements" and "Risk Factors". 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.

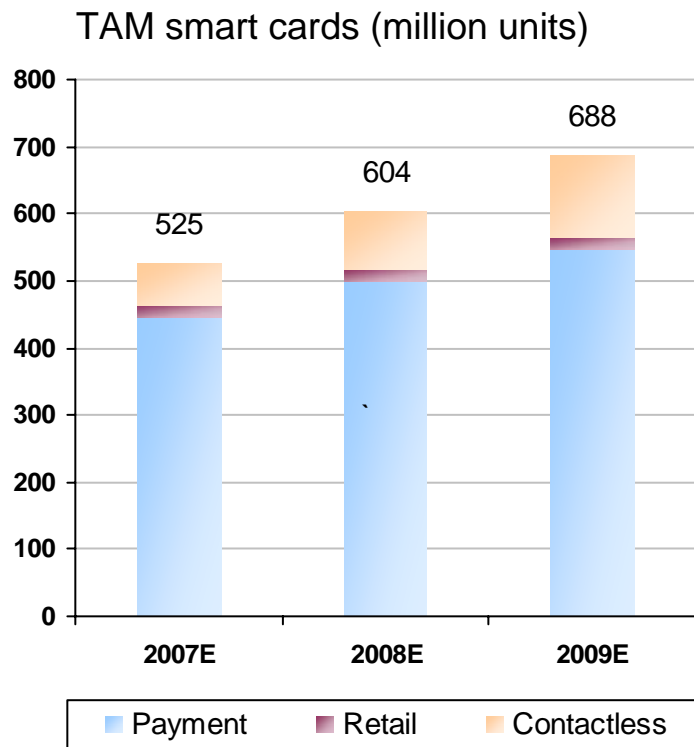
Demonstrating leadership in Financial Services

- ✦ Market leader with 42%* share, in a steady growth market in all “smart card” geographies
- ✦ Technology leader on new product introductions, e.g. contactless, DDA
- ✦ Innovative introduction of new services and solutions, such as CardLikeMe™ and Instant Issuance solutions
- ✦ Unrivalled install-base with 85 software suite platforms implemented worldwide, servicing personalization centers worldwide
- ✦ Ongoing adjustments to operating structure to optimize execution and to adapt services capabilities to combined customer portfolio



* Based on Eurosmart TAM figures

Sustained demand with higher volumes, a richer mix, and the emergence of solutions and services



Source: Gemalto Estimates

Higher Volume...

- ★ Smart Payment market volume growing at estimated 13% CAGR
- ★ Steady growth of EMV concentrated new countries (e.g. Brazil, CISMEA, Australia)

Richer Mix...

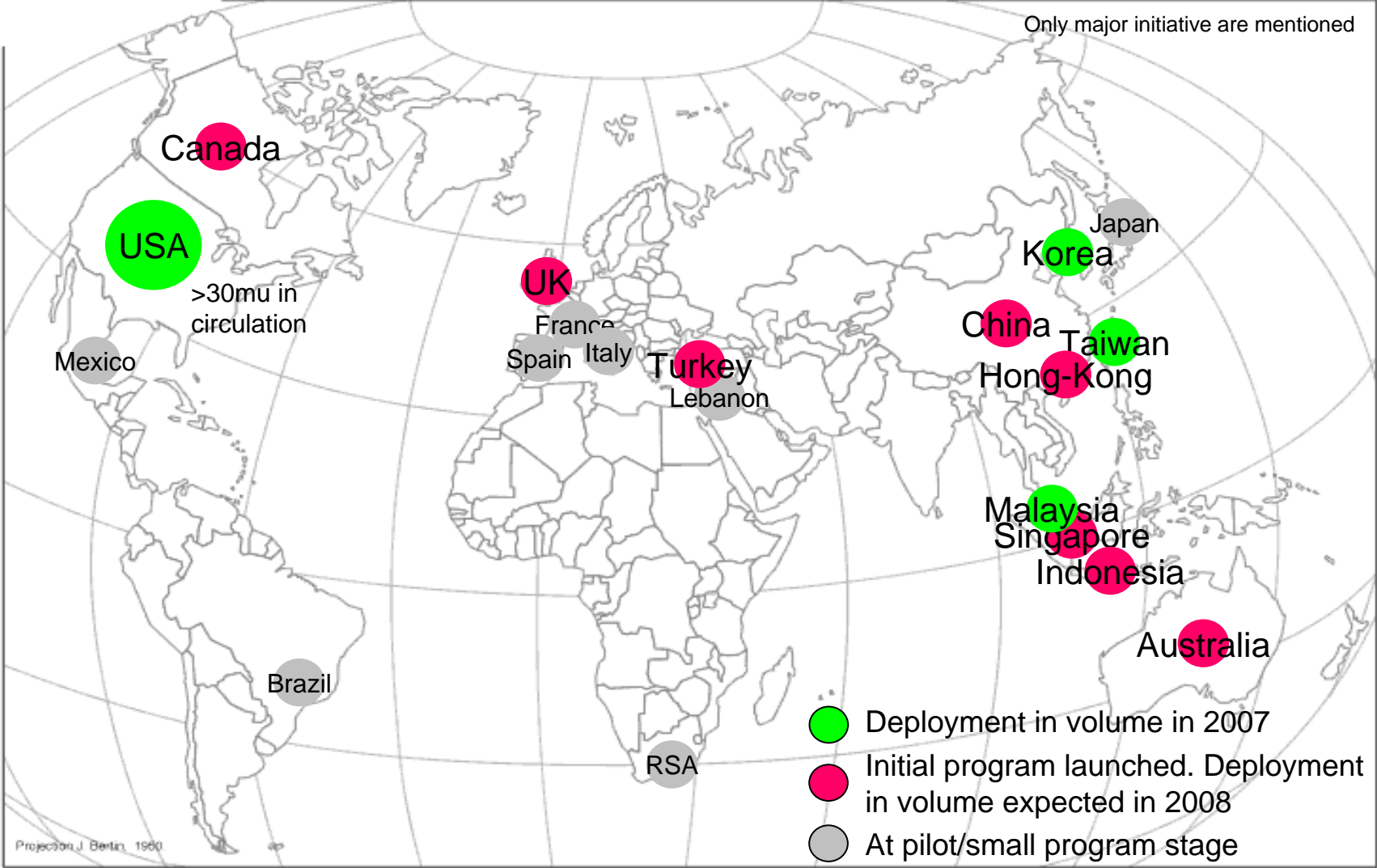
- ★ DDA migration in mature markets to reach 39% of SDA + DDA volumes in 2009
- ★ Significant breakthrough of contactless take-up for payment applications with 37% CAGR volume growth representing about 20% of 2009 TAM

- ★ Clear demand for advanced, value-added services in maturing markets, e.g. instant issuance, tailored cards, customized packaging – Gemalto is “industrializing” dedicated solutions and services to help its customers to remain “top of the wallet”

Extensive global reach to leverage growth in emerging markets

- ✦ 13 EMV-certified personalization centers outside the traditional markets of France, UK, and Germany
 - ✦ Regional card body manufacturing in major countries, including the US, Mexico, Brazil, China, and Singapore
 - ✦ Network of perso centers in major markets, with several new centers added in 2007
 - Asia: Singapore, Malaysia, China; new in Taiwan
 - Americas: Canada, Mexico; new in Brazil
 - EMEA: Spain, Denmark, Sweden, Norway; new in Poland and South Africa
 - ✦ Network of partners where Gemalto does not operate its own service capabilities
 - Asia: Japan, Korea, Thailand, Indonesia
 - EMEA: Italy, Russia, Baltics, Norway
- 

Contactless Deployments in progress



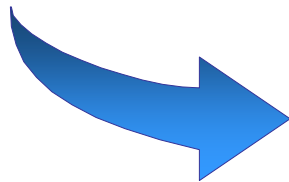
Allynis CardLikeMe™: Service Overview



Web service



Provide all services enabling the upload of picture from End user



Checking service



Checking of the picture content according to the legal and customer rules

Printing Service/Solution



Provide all services enabling the printing of the selected picture on card



Allynis CardLikeMe™: Banks' Key Benefits

- ✓ Customer-oriented innovative feature
- ✓ Image and communication support
- ✓ New customer acquisition
- ✓ Additional revenue / quick ROI
- ✓ Increased card usage

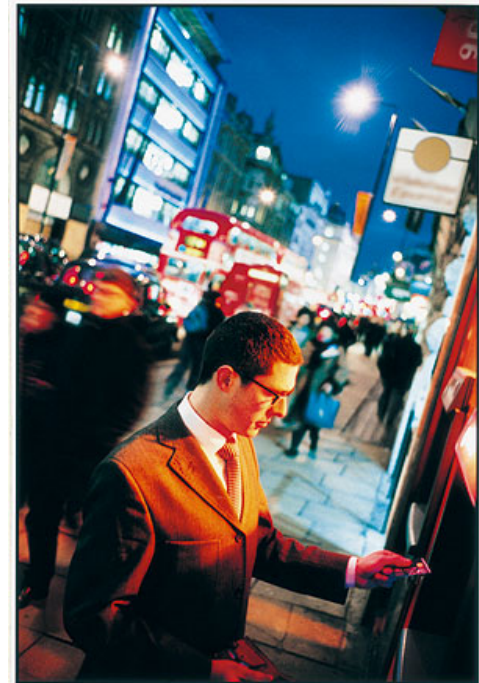


“Research and experience confirm that consumers actually use a particular credit / debit / ATM card more often when allowed to select his / her own design”

- Card activation rates have risen from 40% to 49% (US)
- Card transactions increased from 4 to 5 per month
- Dollar value per transaction increased

Dexxis Instant Issuance: Solution Overview

- ✦ A solution to issue fully personalized cards locally
 - One by one
 - Hand-to-hand delivery at the branch / in-store
 - In less than a minute
- ✦ What is the objective for banks and retailers?
 - A customer will not leave the branch without a read-to-use card in his/her hands
- ✦ Why customers will buy Gemalto's Instant Issuance solution?
 - Credibility on security
 - Ability to rollout worldwide programs



Implementing a strategy focused on profitability

- ★ Leverage our global presence to capture emerging EMV markets for higher revenue and margins
- ★ Drive product mix improvements with contactless and DDA
- ★ Maintain a strong focus on developing and growing personalization and innovative services
- ★ Enforce pricing discipline
- ★ Realize the benefits from our scale
- ★ Rationalize operating footprint for improved cost structure