



## Q3 2009 Revenue Release

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# ★ Overview

Olivier Piou, CEO

★ Financial Results

★ Outlook



# Third Quarter 2009 highlights

- ★ Q3 revenue at € 401 million
- ★ Robust activities in the Middle East and Africa, lagging in the Americas
- ★ Further wins in mobile service contracts and governmental projects
- ★ Operational efficiency increased
- ★ Strong € 59 million net cash generation before acquisitions  
Net cash position increases to € 347 million
- ★ Confident in achieving around € 180 million in adjusted operating income for the full year



★ Overview

★ **Financial Results**

Jacques Tierny, CFO

★ Outlook



# Robust activity in the Middle East and Africa, lagging in the Americas

## Mobile Communication

Revenue  
(8%) | € 220m

- Software and services up 6% on the back of strong market interest in Middle East and Africa
- Slower demand than usual from higher-end regions this quarter
- Churn remains high in emerging countries leading to strong deliveries of entry- and mid-range products

## Secure Transactions

Revenue  
(6%) | € 107m

- Banking customers optimizing their inventories and cash
- Lower deliveries in parts of Central Europe and the Americas
- Robust demand for more secure DDA products, lower for older SDA cards
- Further deployments of dual-interface contactless EMV cards, mainly in Europe and Asia

## Security

Revenue  
(4%) | € 53m

- Government Programs up 4% with low deliveries in the Americas offset by strong growth in EMEA and Asia
- IAM lower by 18% due to weak enterprises demand and stable online banking solutions deliveries
- No new patent licensing revenue

Group revenue for the first 9 months, at € 1201 million, is essentially unchanged

Revenue variations are stated at constant exchange rates and by reference to 2008 third quarter revenue

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Olivier Piou, CEO



# Outlook

Our business has strong fundamentals and prospects. We continue our mission to provide trust and convenience to the wireless and digital world that is emerging, and look ahead with the goal of revenue growth and earnings expansion.

Market seasonality in 2009 is expected to be in line with historical patterns. Gemalto is well on track to achieve another profit expansion in the full year 2009. Our 2009 objective of above 10% adjusted operating margin remains unchanged. The adjusted operating income for the full year is now anticipated to be around € 180 million.

## Leveraging Gemalto's key assets to further expand profits

- Gemalto has established a highly efficient operating foundation, generating strong levels of cash
- Annual customer surveys show that Gemalto is highly trusted and regarded as a valuable partner to launch new services
- These strong relationships and solid financial structure enable Gemalto to keep investing in R&D and push on with its long-term vision
- Being truly global, Gemalto is presently expanding in the new economies and is ready for the recovery in developed countries
- Bolt-on acquisitions are rapidly integrated to deliver the expected benefits
- We will present Gemalto's next phase of development on November 19



- ✦ 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 ✦