Virgin Mobile Fosters its Branding Strategy with Gemalto Advanced SIM cards

Gemalto announces 2-year exclusive agreement with Europe’s largest Mobile Virtual Network Operator

**MVNO Conference, Barcelona, October 10, 2006** – Gemalto (Euronext NL0000400653 GTO), a world leader in digital security, today announces an exclusive two-year agreement to supply its SIM cards to Virgin Mobile. Working in close partnership with the MVNO, the Gemalto teams have developed a customized product that will enable Virgin Mobile to benefit from the increased flexibility and responsiveness required to bring its own brand of services to market. The Gemalto cards will allow subscribers to securely access and enjoy a wide range of value-added services as soon as Virgin Mobile makes them available. The cards have been designed to support an extensive selection of applications such as dynamic menus and information on-demand.

“The SIM card plays a vital role in building a direct relationship with subscribers,” said Rob Shardlow, Sales and Distribution Director. “For this reason, we need a reliable partner, with sound expertise in SIM-based solutions, who will make it easy for us to deploy our own features and support our branding strategy.”

Since its commercial launch as an MVNO in November 1999, Virgin Mobile has recorded very strong growth. Within one and a half years of operation, the MVNO signed up over one million subscribers, making it the fastest major UK mobile communications provider to have achieved this milestone to date. Today, Virgin Mobile boasts some 5 million subscribers and Gemalto will support its growth strategy by providing high-end products and to help sustain the highest levels of excellence in customer service.

“We are proud to partner with one of the most successful MVNOs,” added Jacques Seneca, president Europe, Gemalto. “This multi-year exclusive agreement with Virgin Mobile illustrates the consistency of our long-standing relationship and confirms Gemalto’s leadership in SIM management.”

This new contract with Virgin Mobile reinforces Gemalto’s position as undisputed leader in the fast-growing MVNOs market. Having worked with a very large number of leading MVNOs worldwide, the company has gained an in-depth understanding of their specific needs and is in a position to provide products, services and support required for differentiation, cost control and accelerated time-to-market. Gemalto supports MVNOs through innovative and personalized packaging, on-demand production and mobile value-added services, as well as SIM management outsourcing.
About Gemalto
Gemalto (Euronext NL 0000400653 GTO) is a leader in digital security with pro forma 2005 annual revenues of €1.7 billion ($2.2 billion), operations in 120 countries and 11,000 employees including 1,500 R&D engineers. The company's solutions make personal digital interactions secure and easy in a world where everything of value—from money to entertainment to identities—is increasingly represented as bits and bytes communicated over networks.

Gemalto thrives on creating and deploying secure platforms, portable and secure forms of software in highly personal objects like smart cards, SIMs, e-passports, readers and tokens. More than a billion people worldwide use the company's products and services for telecommunications, banking, e-government, identity management, multimedia content, digital rights management, IT security and other applications. Gemalto was formed in June 2006 by the combination of Axalto and Gemplus International S.A. For more information please visit www.gemalto.com.

About Virgin Mobile
Virgin Mobile is the UK's largest mobile virtual network operator and uses T-Mobile's network. Since its launch in November 1999, Virgin Mobile has attracted more than 4 million customers. Virgin Mobile is part of the ntl:telewest group. The group is the first to be able to offer 'quadruple play' to customers: mobile and fixed line telephony, broadband internet and television.

In the UK, Virgin Mobile phones are available direct on 0845 6000 600; on the web at www.virginmobile.com or on the high street at approximately 5,000 outlets including Virgin Mobile Stores within Virgin Megastores and selected WHSmiths, The Carphone Warehouse, The Link, Phones 4 U, Currys.digital, Comet, Tesco, Asda, John Lewis, Argos, Woolworths, Toys R Us, Ryman, web retailer Dial-a-phone plus hundreds of independent mobile phone dealers and available via Shop Direct/Littlewoods, Grattan and Empire home shopping channels.

Virgin Mobile Pay Monthly (contract) is currently available in Virgin Mobile Stores, The Carphone Warehouse, The Link, Phones 4u, at concessions in WHSmith and from www.virginmobile.com

Virgin Mobile employs approximately 1,700 staff at three sites, Trowbridge, London and Daventry, and has an outsourced customer service centre operated by approximately 200 staff in Middlesbrough.

Virgin Mobile was voted 22nd in the Best Workplaces in the UK Financial Times survey for 2006.

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