Germany Qualifies Gemalto for World’s Largest Microprocessor Card-Based Healthcare Initiative

In Germany, 80 million patient cards will be renewed over the next 5 years

Amsterdam, The Netherlands, December 14, 2006 – Gemalto (Euronext NL0000400653 GTO), a world leader in digital security, today announces it is taking part in Germany’s first healthcare pilot program based on highly secure microprocessor cards. The Gemalto product is fully compliant with the latest specifications from Gematik, the organization in charge of defining and approving the healthcare infrastructure, which enables the company to deliver cards to the pilot regions. Gemalto received first orders to supply and personalize patient cards for the regions of Bavaria, Baden-Württemberg, North Rhine Westphalia and Saxony. The first trial phase commenced in December 2006, involving 70,000 units in 7 regions. A larger scale experimentation of 300,000 cards is due to start in 2007, which will be followed by mass deployment. This new advanced digital healthcare solution aims at reducing administrative costs and ensuring better delivery of services and benefits to citizens.

The German authorities are implementing this new infrastructure based on high-end microprocessor cards to provide better quality of service to insurance beneficiaries while increasing the security of access to personal data. This latest-generation card will act as an active security device to perform strong authentication of the patient therefore contributing to reducing fraud costs and increasing privacy. It will enable access to an electronic medical file, and will include emergency data such as blood group, allergies alerts and ongoing treatments records. In addition, the new health card will be able to carry electronic prescriptions, which will reduce significantly paperwork. Authorized healthcare professionals can read personal information only if the patient consents by entering the card’s Personal Identification Number.

For insurance funds, the deployment of this new generation of highly secure health cards will significantly trim administrative and operational costs. It will avoid duplicate examinations and lessen unnecessary use of healthcare services. Furthermore, by allowing automatic data update once the card is in the field, the new system will enable insurance funds to decrease their cost of ownership and optimize their investments.
“The healthcare sector has tremendous growth potential and we are really pleased to enable secure and convenient solutions for citizens of Germany” commented Jacques Seneca, President Europe at Gemalto. “Our strong historic presence in Germany and our high level of commitment to this project, combined with our experiences in similar programs around the world has prepared us well in this market.”

This new reference strengthens Gemalto’s positioning in the healthcare sector, following previous achievements in Algeria, Belgium, China, Finland, France, Mexico, Puerto Rico, UK and Slovenia.

Note to editors
The German government is launching what it describes as the most extensive e-health project in the world, involving 80 million patients, 350,000 doctors and dentists, 2,000 hospitals and 22,000 pharmacies. The German health service is highly decentralized, with some 250 different insurance companies, each having their own infrastructure and supply process. The health insurance plans are either state-regulated or private. Around 90 percent of the population is covered by the state health insurance and the rest opt for private medical insurance. State health insurance beneficiaries do not have to pay for the visit to their doctor, nor for their medication (apart from a small fixed fee).

With the current system, insurance funds need to issue their customers with a new card whenever their administrative data change, whereas the microprocessor card-based system allows to update the information once the card is in the field, thus reducing operational costs. The electronic health card will carry the prescription and should make about 700 million handwritten prescriptions redundant.

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 about 100 countries and 11,000 employees including 1,500 R&D engineers. In a world where the digital revolution is increasingly transforming our lives, Gemalto’s solutions are designed to make personal digital interactions more convenient, secure and enjoyable. Gemalto provides end-to-end digital security solutions, from the development of software applications through design and production of secure personal devices such as smart cards, SIMs, e-passports, and tokens to the management of deployment services for its customers. More than a billion people worldwide use the company’s products and services for telecommunications, financial services, e-government, identity management, multimedia content, digital rights management, IT security, mass transit and many other applications.

As the use of Gemalto’s software and secure devices increases with the number of people interacting in the digital and wireless world, the company is poised to thrive over the coming years.

Gemalto was formed in June 2006 by the combination of Axalto and Gemplus. For more information please visit www.gemalto.com