NXP to transfer its Mobile Services Business to Gemalto

Amsterdam and Eindhoven, March 6th, 2009 – Gemalto, the world leader in digital security, and NXP, the independent semiconductor company founded by Philips, today announced that they have entered into an agreement whereby NXP would transfer its mobile services business to Gemalto. The related unit based in Sophia Antipolis, France will continue to develop and market software and service solutions compliant with the MIFARE4Mobile™ interface specifications which manage MIFARE™-based applications in Near Field Communication (NFC) mobile devices.

MIFARE is the leading contactless technology globally, predominantly used within transportation networks, ticketing and access management applications. This strategic move by the two industry leaders aims to accelerate the global adoption of NFC technology in existing contactless infrastructures and further promotes the deployment of MIFARE.

Commenting on the transaction, Olivier Piou, CEO of Gemalto noted “We believe that transportation will be a favorite application for NFC phones and will help spur adoption of the technology. MIFARE is the reference in contactless transportation and we welcome this opportunity to add MIFARE capability to our Trusted Service Manager services platform”.

Adding this MIFARE4Mobile software further strengthens Gemalto’s Trusted Service Manager (TSM) platform offer linking transport operators, banks and mobile phone operators enabling the mobile phone to be used with existing payment and contactless ticketing infrastructure. The TSM notably makes the entire process of downloading tickets and subscriptions onto the cell phone more efficient and secure.

“The agreement demonstrates the importance of the MIFARE technology in contactless applications and is a major step to large scale deployments of NFC based services”, said Rick Clemmer, Chief Executive Officer of NXP Semiconductors. “As the co-inventor and leader in NFC technology, NXP continues to shape the NFC ecosystem with key industry partners by further evolving the MIFARE technology on NFC devices.”

NXP will continue to invest in the development of industry-leading NFC chips fully compliant with current standards and interoperable with existing contactless infrastructure.

The specifications of the MIFARE4Mobile interface and the associated intellectual property will remain in the ownership of NXP who will ensure interoperability and full availability to all market players on terms released in December 2008 on http://mifare.net/products/mifare4mobile. NXP will also have a central role in evolving the MIFARE4Mobile interface specifications.

The deal is subject to regulatory approvals and labor council consultations. The terms of the transaction, which is expected to close in Q2 2009, were not disclosed.

*MIFARE and MIFARE4Mobile are trademarks of NXP B.V. in the U.S. and other countries.*
About Gemalto
Gemalto (Euronext NL 0000400653 GTO) is the world leader in digital security with 2008 annual revenues of €1.68 billion, and 10,000 employees operating out of 75 offices, research and service centers in 40 countries.

Gemalto is at the heart of our evolving digital society. The freedom to communicate, travel, shop, bank, entertain, and work—anytime, anywhere—has become an integral part of what people want and expect, in ways that are convenient, enjoyable and secure.

Gemalto delivers on the growing demands of billions of people worldwide for mobile connectivity, identity and data protection, credit card safety, health and transportation services, e-government and national security. We do this by supplying to governments, wireless operators, banks and enterprises a wide range of secure personal devices, such as subscriber identification modules (SIM) in mobile phones, smart banking cards, electronic passports, and USB tokens for online identity protection. To complete the solution we also provide software, systems and services to help our customers achieve their goals.

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.

For more information please visit www.gemalto.com.

About NXP Semiconductors
NXP is a leading semiconductor company founded by Philips more than 50 years ago. Headquartered in Europe, the company has about 30,000 employees working in more than 20 countries and posted sales of USD 5.4 billion (including the Mobile & Personal business) in 2008. NXP creates semiconductors, system solutions and software that deliver better sensory experiences in TVs, set-top boxes, identification applications, mobile phones, cars and a wide range of other electronic devices. News from NXP is located at www.nxp.com.

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