Gemalto reports third quarter 2009 revenue

- Revenue at € 401 million
- Robust activity in Middle East and Africa, lagging demand in the Americas
- Further wins in mobile service contracts and governmental projects
- Strong € 59m net cash increase before acquisitions. Net cash position increases to € 347 million

All variations in this press release are stated at constant exchange rates, unless otherwise noted, and are comparing the third quarter 2009 revenue to the third quarter 2008 revenue. Comparisons at historical rates are presented in Appendix 2. All figures presented in this press release are unaudited.

Amsterdam, October 22, 2009 - Gemalto (Euronext NL0000400653 - GTO), the world leader in digital security today announced its revenue for the third quarter of 2009.

<table>
<thead>
<tr>
<th></th>
<th>Mobile Communication</th>
<th>Secure Transactions</th>
<th>Security</th>
<th>Others 1</th>
<th>Total Gemalto 2009</th>
<th>Total Gemalto 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Third quarter</td>
<td>220 M€</td>
<td>107 M€</td>
<td>53 M€</td>
<td>21 M€</td>
<td>401 M€</td>
<td>418 M€</td>
</tr>
<tr>
<td>Variation at historical exchange rates</td>
<td>(7%)</td>
<td>(6%)</td>
<td>(1%)</td>
<td>+36%</td>
<td>(4%)</td>
<td></td>
</tr>
<tr>
<td>Year to date</td>
<td>636 M€</td>
<td>326 M€</td>
<td>183 M€</td>
<td>56 M€</td>
<td>1,201 M€</td>
<td>1,209 M€</td>
</tr>
<tr>
<td>Variation at historical exchange rates</td>
<td>(6%)</td>
<td>(1%)</td>
<td>+18%</td>
<td>+17%</td>
<td>(1%)</td>
<td></td>
</tr>
</tbody>
</table>

At constant exchange rates, Gemalto 2009 third quarter total revenue is lower by 5%

Olivier Piou, Chief Executive Officer, commented: “Thanks to our continuous improvement in operating efficiency we are confident in our ability to expand our adjusted operating income to around € 180 million for the full year. This quarter’s revenue is the reflection of a more cautious market place in preparation of year-end commercial campaigns, and more focus on inventory management and cash optimization. We continue to increase the share of software and services in our revenue. As we accomplish our 2006-2009 long-range plan, focused on margin improvement and establishing a solid foundation for our future, we are now ready for our next phase of development which we will present on November 19th.”

1 Public Telephony plus Point-of-Sale Terminals.
Third quarter 2009

Total revenue for Q3 2009 was € 401 million, lower than Q3 2008 by 5% at constant exchange rates and by 4% at historical exchange rates. Revenue for the first nine months of the year was € 1 201 million, essentially unchanged when compared with the previous year. Demand this quarter was softer in the Americas when compared to last year, and Identity and Access Management activity in Europe contracted as enterprises postponed projects. Gemalto confirmed its leadership in Government Programs, winning two large-scale national projects, and continued to record additional wins in mobile communication service contracts.

Gemalto further strengthened its net cash position, with € 59 million of net cash generated during this quarter. € 35 million were used for acquisitions, € 19 million used for the share buy-back program and € 20 million received from the exercise of options by employees. As a result, the Company's net cash position was € 347 million at the end of the third quarter 2009, compared with € 322 million at June 30, 2009.

Segment information

<table>
<thead>
<tr>
<th>Mobile Communication</th>
<th>€ in millions</th>
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<th>Q3 2009</th>
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<td></td>
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</table>

At constant exchange rates, Q3 2009 revenue is lower by 8%.

Software and services revenue increased by 6% year-on-year. Operators across all continents reaffirmed their interest in Gemalto solutions, with Middle East and Africa showing the strongest demand. O3SIS acquisition benefits materialized rapidly, with Gemalto already securing multiple orders for the combined Personal Data Management offering.

The SIM card average selling price decreased by 4% from previous quarter. Mobile operators' customer churn remained high in emerging countries, driving SIM renewal and deliveries of entry- and mid-range products. The quarter’s average selling price was 18% lower than last year as seasonal demand from higher-end regions, notably in the Americas, was comparatively lower this quarter than at the same period of last year.
Secure Transactions

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<th>Q3 2009</th>
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At constant exchange rates, Q3 2009 revenue is also lower by 6%.

Banking customers maintained their strict inventory and cash optimization measures, resulting in lower demand in parts of Central Europe and the Americas. Deliveries of older static data authentication and Pay-TV products were significantly lower while shipments of more secure dynamic data authentication products and deployments of dual-interface contactless cards in Europe and Asia remained strong.

Security

<table>
<thead>
<tr>
<th>€ in millions</th>
<th>Q3 2008</th>
<th>Q3 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Security</td>
<td>54</td>
<td>53</td>
</tr>
<tr>
<td>Year-on-year variation at historical exchange rates</td>
<td></td>
<td>(1%)</td>
</tr>
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</table>

At constant exchange rates, Q3 2009 revenue is lower by 4%.

Government Programs revenue grew by 4% during the period, with double digit growth in EMEA and Asia offset by low demand in the Americas. Gemalto extended its leadership with new wins, including a large-scale national ePassport project in Asia, as well as the renewal of a national eID contract in Europe.

Identity and Access Management (IAM) revenue lowered by 18% on the back of weak enterprises demand, while online banking solutions sales were stable compared with previous year.

As planned, no new patent licensing revenue was recorded during the third quarter.
Others

<table>
<thead>
<tr>
<th>€ in millions</th>
<th>Q3 2008</th>
<th>Q3 2009</th>
</tr>
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<tr>
<td>Others</td>
<td>15</td>
<td>21</td>
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At constant exchange rates, Public Telephony and POS Terminals combined Q3 2009 revenue is increasing by 34%.

POS Terminals revenue expanded significantly.

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.

Financial communication calendar

Gemalto will hold an Investment Conference to present its strategy for the Company’s next phase of development on November 19, 2009 in Barcelona, Spain, where the senior management team will be present to take questions. Investors are invited to attend the event and may contact Mr. Vincent Biraud, Gemalto's Investor Relations Officer, regarding registration.

2009 fourth quarter revenue and 2009 earnings will be reported on March 4th, 2010, before the opening of Euronext Paris.
Conference call

Gemalto will hold an analysts and investors conference call in English today at 3:00 pm Paris time (2:00 pm London time and 9:00 am New York time). Callers may participate in this live conference call by dialling:

+44 203 367 9453 or +1 866 907 5928 or +33 1 7200 1368.

The presentation slide set will be available for download on Gemalto’s Investor Relations web site (www.gemalto.com/investors) at 1:00 pm Paris time (12:00 am London time, 7:00 am New York time).

Replays of the conference call will be available from approximately 3 hours after the conclusion of the conference call until November 5th midnight Paris time by dialling:

+44 207 107 0686 or +1 877 642 3018 or +33 1 72 00 14 69
access code: 264325 #.

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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), Universal Integrated Circuit Card (UICC) in mobile phones, smart banking cards, smart card access badges, 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.

This communication does not constitute an offer to purchase or exchange or the solicitation of an offer to sell or exchange any securities of Gemalto.

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 company, 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 company 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 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 its 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 company's share prices; and changes in global, political, economic, business, competitive, market and regulatory forces. Moreover, neither the company 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 company 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 except as otherwise required by applicable law or regulations.
### Appendix 1

Deliveries of secure personal devices (unaudited)

<table>
<thead>
<tr>
<th>In millions of units</th>
<th>Third quarter 2008</th>
<th>Third quarter 2009</th>
<th>% growth</th>
</tr>
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<tbody>
<tr>
<td>SIM cards</td>
<td>262</td>
<td>289</td>
<td>+ 11%</td>
</tr>
<tr>
<td>Secure Transactions</td>
<td>76</td>
<td>69</td>
<td>(9%)</td>
</tr>
<tr>
<td>Security</td>
<td>12</td>
<td>11</td>
<td>(14%)</td>
</tr>
<tr>
<td>Total</td>
<td>350</td>
<td>369</td>
<td>+ 6%</td>
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### Appendix 2

Third quarter revenue by region at historical rates (unaudited)

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<th>Third quarter 2009</th>
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<td>EMEA</td>
<td>231</td>
<td>238</td>
<td>+ 3%</td>
<td>+ 4%</td>
</tr>
<tr>
<td>North &amp; South America</td>
<td>113</td>
<td>83</td>
<td>(27%)</td>
<td>(28%)</td>
</tr>
<tr>
<td>Asia</td>
<td>73</td>
<td>79</td>
<td>+ 8%</td>
<td>+ 2%</td>
</tr>
<tr>
<td>Total revenue</td>
<td>418</td>
<td>401</td>
<td>(4%)</td>
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### Appendix 3

Third quarter revenue by business segment at historical rates (unaudited)

<table>
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### Appendix 3

Average exchange rates between the Euro and the US dollar

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<th>EUR/USD</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>First quarter</td>
<td>1.48</td>
<td>1.33</td>
</tr>
<tr>
<td>Second quarter</td>
<td>1.56</td>
<td>1.34</td>
</tr>
<tr>
<td>First half</td>
<td>1.52</td>
<td>1.34</td>
</tr>
<tr>
<td>Third quarter</td>
<td>1.54</td>
<td>1.41</td>
</tr>
<tr>
<td>Fourth quarter</td>
<td>1.35</td>
<td></td>
</tr>
<tr>
<td>Second half</td>
<td>1.44</td>
<td></td>
</tr>
<tr>
<td>Full year</td>
<td>1.48</td>
<td></td>
</tr>
</tbody>
</table>