

Gemalto to Provide 2.5 Million National ID cards to the Sultanate of Oman

Selected in the second phase of the e-government program,
Gemalto will upgrade the cards with e-purse and e-government applications

Amsterdam & Muscat - Sultanate of Oman, September 21, 2006 – Gemalto (Euronext NL0000400653 GTO), a world leader in digital security, today announces that the Sultanate of Oman has selected its technology to implement the second phase of the country's national ID program. The contract appoints Gemalto to provide an update of the current National Registration System, integration services, as well as to supply smart ID cards that will enable the Sultanate of Oman to provide faster and more secure public services to its population. The program, scheduled to begin at the end of 2006, involves over 2.5 million national ID cards.

The Sultanate of Oman's national ID card program is the first smart card-based e-government solution ever deployed in the Middle East. It is part of the Sultanate's policy to improve the quality of public service and homeland security infrastructure. Its core objective is to modernize the Sultanate's identification system and processes, making it more efficient and secure, both for government authorities and citizens. As part of this objective, the creation of a National Registry System will become the pillar of all future Omani e-Government initiatives. In addition, the Sultanate of Oman is aiming to develop new technical skills within the Royal Oman Police force, the local authority managing the ID program.

The first phase of the ID program, that began in January 2004, has enabled more than 1.2 million Omani citizens and residents to benefit from a secure and convenient identification means that stores personal credentials such as name, address, digital photograph, fingerprints, driving license, etc. In addition to digital identification, electronic gates have been implemented for border control. In the near future, the national ID card will integrate an electronic purse as well as e-government applications.

Xavier Chanay, President Gemalto CISMEA comments: *"By implementing the second phase of the national ID program, the Sultanate of Oman achieves another technology milestone in the Middle-East. The Sultanate recognized that digital security technology provides the ideal means to manage personal credentials, while increasing the quality of public services. Through this program, the Sultanate is taking a leading position in the region, taking the benefits of digital security technology to a national level. The contract also further reinforces Gemalto position in this important new growth market."*

Note to editors

By becoming the earliest adopter of smart card-based national ID cards in the Gulf region, the Sultanate of Oman is standing at the forefront of the global e-Government trend. Over the past few years, there has been rapidly growing awareness amongst governments worldwide of the necessity to develop nationwide IT infrastructures in order to deliver more secure, efficient and convenient ID services to their citizens. The growing need of governments to effectively authenticate remote users, combined with the increasing concerns of traditional ID theft and fraud, has influenced technologically proactive governments in Belgium, China, Finland, Hong-Kong, Japan, Macao, Sweden, USA, UAE, Saudi Arabia, Qatar and many more to convert to smart card-based ID solutions. Through this innovative ID program, the Sultanate of Oman is now joining this group of leading IT nations.

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.

Gemalto

Media

Emmanuelle Saby

T: + 33 1 55 01 57 27

M: + 33 6 09 10 76 10

Emmanuelle.saby@gemalto.com

Investor Relations

Stéphane Bisseuil

T: + 33 1 55 01 50 97

M: + 33 6 86 08 64 13

Stephane.bisseuil@gemalto.com

TBWA\Corporate

Emlyn Korengold

T: + 33 1 49 09 66 51

M: + 33 6 08 21 93 74

emlyn.korengold@tbwa-corporate.com