Every day, people all over the world use our products, platforms and services. They’re benefiting from digital security technologies we’ve made safe and reliable. Solutions we’ve helped our clients to offer. That’s our business: working behind the scenes, enabling secure, convenient digital services to be delivered to billions of individuals. And, ultimately, it’s about providing trust. Every day.

HIGHLIGHTS

<table>
<thead>
<tr>
<th>Category</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>REVENUE ALL OPERATIONS</td>
<td>€2,465m</td>
<td>€2,415m</td>
</tr>
<tr>
<td>PROFIT FROM ONGOING OPERATIONS</td>
<td>€383m</td>
<td>€348m</td>
</tr>
<tr>
<td>PROFIT MARGIN FROM ONGOING OPERATIONS</td>
<td>15.5%</td>
<td>14.6%</td>
</tr>
<tr>
<td>IFRS NET PROFIT</td>
<td>€221m</td>
<td>€258m</td>
</tr>
<tr>
<td>ADJUSTED BASIC EARNINGS PER SHARE</td>
<td>€3.64</td>
<td>€3.68</td>
</tr>
<tr>
<td>PROPOSED CASH DIVIDEND PER SHARE</td>
<td>€0.42</td>
<td>€0.38</td>
</tr>
<tr>
<td>NET CASH</td>
<td>€493m</td>
<td>€649m</td>
</tr>
<tr>
<td>CASH GENERATED FROM OPERATIONS</td>
<td>€348m</td>
<td>€322m</td>
</tr>
<tr>
<td>RETURN ON CAPITAL EMPLOYED (ROCE)</td>
<td>17.2%</td>
<td>17.9%</td>
</tr>
</tbody>
</table>

1 Adjusted financial information for all operations.
Chairman’s statement

Justifying high expectations

Gemalto performed well in 2014, with double-digit profit growth on a solid single-digit revenue increase. Delivering this result despite volatile global market conditions, hesitations about emerging technologies and unfavorable currency fluctuations was quite an achievement. But the underperformance of Gemalto’s share price over the year reflects investor sentiment: they had expected Gemalto’s innovation and leadership to drive a steadier momentum.

On track towards high targets

A year ago we declared two targets for our 2014-2017 Development Plan. These reflected our objectives for significant revenue and profit growth over a medium term horizon. They were based on realizing the benefits of investments in the development of our software and services, in our products and manufacturing footprint, and in our people, in order to address new market opportunities. Progress to date has given us the confidence to raise our target for profit from operations to at least €660 million in 2017.

Indeed, we can now look forward to another growing contribution, from our acquisition of SafeNet. This strategic addition brings strong margins and cash generation, and significantly broadens our Platforms & Services capabilities. The result is a more balanced structure, with offerings along the entire digital security chain and now with a strong worldwide presence in Enterprise and data protection.

Capturing renewed market momentum

While 2014 had its challenges, Gemalto’s focused strategy and short adjustment loops initiated a progressive return to the momentum that investors had grown accustomed to – and that we expect to see increasing in 2015. Digital security markets are developing very much as Gemalto anticipated, confirming that the company’s vision and strategies are well founded and that we are well prepared to take advantage of opportunities as they arise.

For example, as the migration to Europay, MasterCard, Visa (EMV) technology now gains traction in the US and continues in China, we had put at the right time the capabilities in place to capture the vast demand materializing in both markets. And in the US, where we had been building our presence in the Enterprise sector to balance our leading position in Mobile, 2014’s succession of security breaches has heightened market awareness. The growing threat of attacks is constantly increasing corporate demand for the reassurance Gemalto can provide.

Given its continuing organic growth path, plus the SafeNet acquisition, Gemalto is a bigger and stronger business than it was a year ago. It has the technology, the experienced people and the market neutrality to help customers of all sizes manage their digital privacy and security in the strictest independence. More than ever, it is in the right markets at the right time – and better placed than ever to meet investors’ justifiably high expectations.

Alex Mandl Chairman
Chief Executive’s review

Record results prove our strengths

With our best-ever revenue and profits in 2014 we made a good start to our 2014-2017 Development Plan. We also demonstrated two key strengths underpinning Gemalto’s success: resilience and flexibility.

Meeting challenges with resilience

Digital security is a fast-moving business. It constantly presents new opportunities, frequently influenced by megatrends – and also new challenges, often unpredictable. In 2014 these ranged from political instability in the Middle East and the Ebola outbreak to uncertainties about the impact of new specifications – which, through our flexibility and expertise, we turned to our advantage.

We continued to grow – because we are trusted by clients in many countries, hold leading positions in a number of markets and maintain a broad technology base with strong R&D. We offer devices, software, platforms and services, enabling us to tailor solutions precisely to our clients’ requirements. These strengths combine with an organizational agility which makes us constantly focus our resources and effort on the most promising growth areas.

Prepared to seize opportunities

Hence in 2014 we again seized exciting new opportunities. Expanding our presence in the Enterprise sector was a key element in our Development Plan, i.e. building enhanced capabilities ‘at the core’ of online networks onto our familiar strength ‘at their edge’. SafeNet met these needs precisely, complementing our existing offer and opening up new markets and distribution channels. When it became available, our planning process enabled us to move quickly in appraising the opportunity and obtaining our Board’s support for the acquisition.

Meanwhile, our existing markets have continued to present fresh prospects. Our Payment & Identity business, for example, was at the heart of the migration to EMV card technology in the US, where we also have a strong presence in advanced mobile solutions.

As always, our success is built on trust. Our customers trust us to facilitate their relationships with end-users, and to safeguard their reputations and their data. Their satisfaction, which we measure regularly, remained very high. The motivation and adaptability of our people is another key factor in our resilience, and our annual survey shows that their commitment also reached record levels. Equally, long-term investors evidenced their confidence in the strong take-up of our €400 million seven-year bond issuance.

We continue to carefully drive the expansion of our business, balancing risk and opportunity. And with SafeNet we now have the ability to propose where trust is best managed, whether in the cloud or in the device in your pocket. This gives us today even greater resilience and flexibility for the future.

Olivier Piou Chief Executive Officer