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Third quarter 2014 revenue

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Basis of preparation

Ongoing operations and adjusted income statement

For a better understanding of the current and future year-on-year evolution of the business, the Company provides revenue from “ongoing operations” for both the 2014 and 2013 reporting periods except where otherwise noted.

The adjusted income statement for ongoing operations excludes, as per the IFRS income statement, the contribution from discontinued operations, and also the contribution from assets classified as held for sale and from other items not related to ongoing operations.

In this presentation, reported figures for ongoing operations only differ from figures for all operations by the contribution from assets held for sale for the year 2013. There is no difference for the year 2014.

Segment information

From January 1, 2014, segment information is modified to report on progress towards the objectives set as part of the Company’s new development plan covering the years 2014 to 2017, publicly announced on September 5, 2013.

The Mobile segment reports on businesses associated with mobile cellular technologies. The former Mobile Communication and Machine-to-Machine segments are part of Mobile. The security evaluation business for third parties, whose contribution to Mobile Communication was minor, is now managed together with the Patents business and is as of 2014 reported in the Patents & Others segment.

The Payment & Identity segment reports on businesses associated with secure personal interactions. The former Secure Transactions and Security segments are part of Payment & Identity.

In addition to this segment information, the Company also reports as of 2014 revenue of Mobile and Payment & Identity by type of activity: Embedded software & Products (E&P) and Platforms & Services (P&S).

Currency exchange rates

In this presentation, expected revenue variations are at constant exchange rates, and all other figures are at historical exchange rates, except where otherwise noted.

Third quarter 2014 highlights

- Revenue up +6% to €626 million driven by Asia and Americas
- Platforms & Services up +16% with +45% in Mobile Financial Services
- 2014 outlook confirmed

All revenue variations in this document are at constant exchange rates

Jacques TIERNY - CFO

Financial results

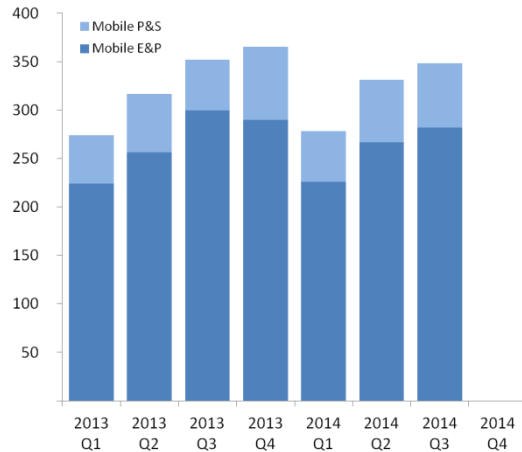
Mobile – key financial information

Revenue

€ 331m

+0%

(2013 Q3: € 335m)



Revenue at constant rates

- Embedded software & Products revenue was €264 million, representing a (5%) variation compared to the strong third quarter of 2013.
 - Revenue from embedded secure elements expanded +57% and revenue from Machine-to-Machine connectivity modules increased by +7%.
 - In the high-end 4G and multitenant SIM range, revenue grew by +19%, as projects that were previously delayed entered the deployment phase in Europe and additional deployments began to contribute in Asia, leading multitenant NFC-enabled SIM cards deliveries to increase to 7% of the quarter's shipments.
- Revenue from Platforms & Services grew by +26%, to €66 million.
 - Mobile Financial Services and Mobile Subscriber Services grew by +45% and +17% respectively.

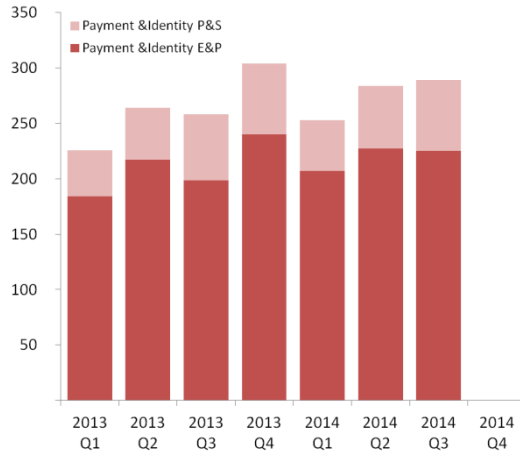
Payment & Identity – key financial information

Revenue

€ 289m

+12%

(2013 Q3: € 260m)



Revenue at constant rates

- Payment & Identity segment revenue came in at €289 million, increasing by +12% compared to the previous year.
- Embedded software & Products and Platforms & Services revenues grew by +13% and +8% respectively.
- Improvement in the Identity business compared to the first semester, led by higher sales of eGovernment documents, was reduced by lower Government-related Platforms & Services.
- In payment-related activities, North America posted excellent growth, with revenue tripling compared to previous year driven by deployments of EMV payment cards and major contract wins for issuance services in the US.
- In all other regions revenue increased as well, thanks in particular to the continuing roll-outs of NFC dual interface payment cards.

Outlook for 2014

For 2014, Gemalto anticipates double-digit expansion in profit from operations for the full year as well as an acceleration of year-on-year revenue growth at constant exchange rates for the second semester.

This does not take into account the SafeNet acquisition that is expected to start contributing at some point in the fourth quarter of 2014. As a result of the acquired business's anticipated profitability, growth and synergies, Gemalto expects its 2017 profit from operations objective of €600 million to increase by around +10%.

Olivier PIOU - CEO

Moving forward

The progressive inclusion of our traditional technology into a wider portfolio of devices is a trend we have integrated in our expansion plan till 2017 and beyond

Our 2014-2017 Multiyear Development Plan presents two opportunities for our Mobile segment, related to embedded Secure Elements and connectivity management

Opportunity #1

Larger volumes

High single-digit market CAGR*

2012 2017

* Embedded secure elements (eSE) that may be used to secure over-the-top services

Technological upgrades

- Accelerating renewal cycles and highest security requirements for multi-tenant SIM
- Inclusion of LTE network related applications

Economics of scale

- Combination of lower costs from supplier subsidies, productivity gains and better absorption of development costs all lead to a reduction in selling price over the life of a given product

Mid single-digit

expected revenue CAGR 2013–2017

*Sources: Gartner, Informa, ABI Research, Infineon, Gemalto - Expected revenue CAGR over 2013-2017 in the SIM and other secure clients business

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Opportunity #3

Connectivity management is needed for the M2M market to flourish

Example for the automotive industry

The manufacturer pays for the subscription, which is downloaded into the vehicle to enable connectivity and other value-added services

Exported vehicle

Gemalto is ideally positioned to address this market

Already protecting subscriptions for 95% of the top 100 MNOs in the world

+

Leading market share in secure remote administration with 200 classic OTA platforms and 1.3 billion subs under management

Sources: Gemalto

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Per issuer,
1 digital payment instrument



Per issuer,
Multiple digital payment instruments

In payment, expectations for trust and cost efficiency are rising

In-store

Online

Previous generations of payment technologies are progressively replaced to reach new market expectations for security and cost efficiency



Magnetic stripe



Card Not Present payment app and related cloud service



Chip-based EMV

SE-Secured payment app and related cloud service

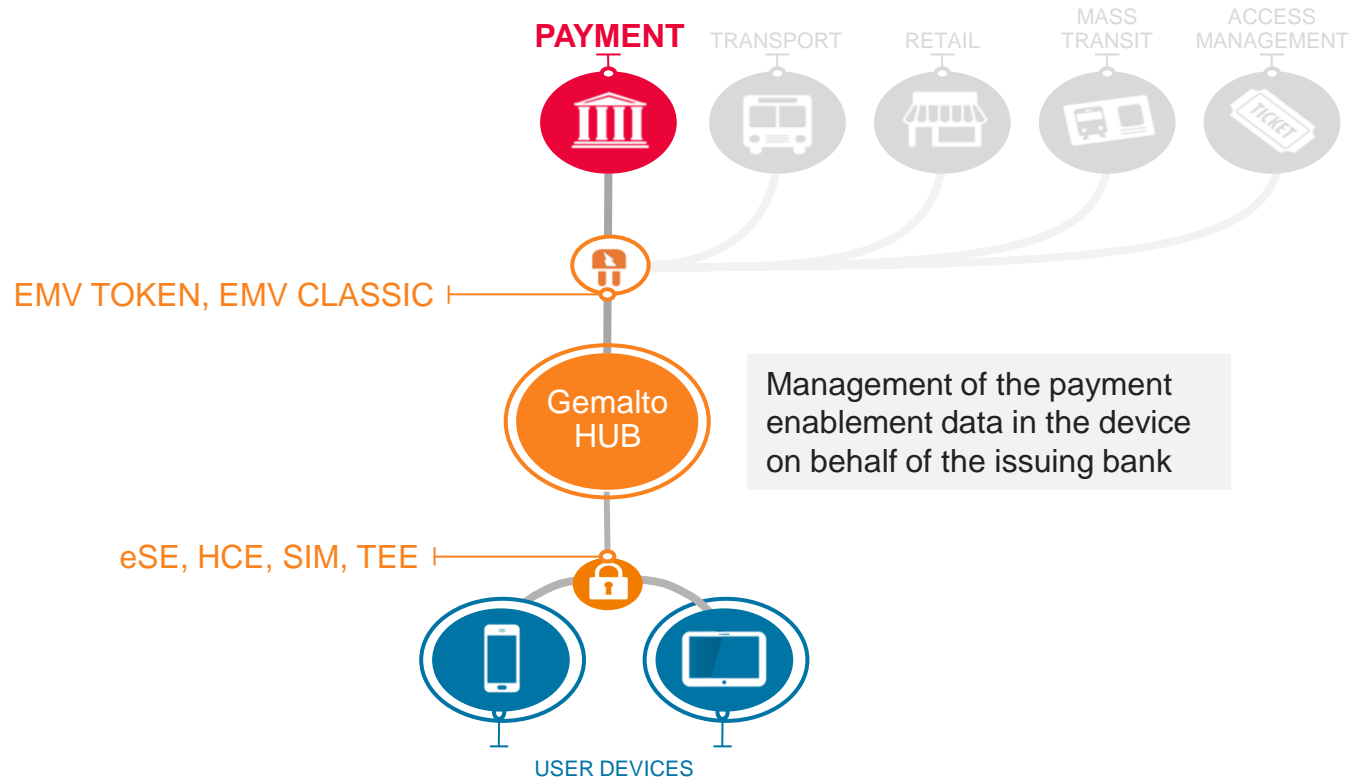


PAN manual entry, **login**/password, **sms** verification

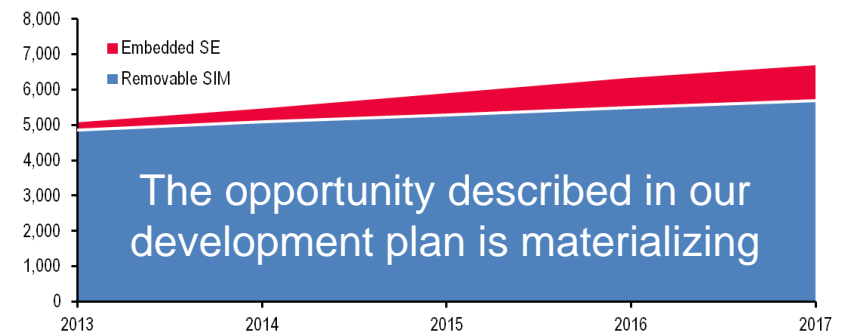
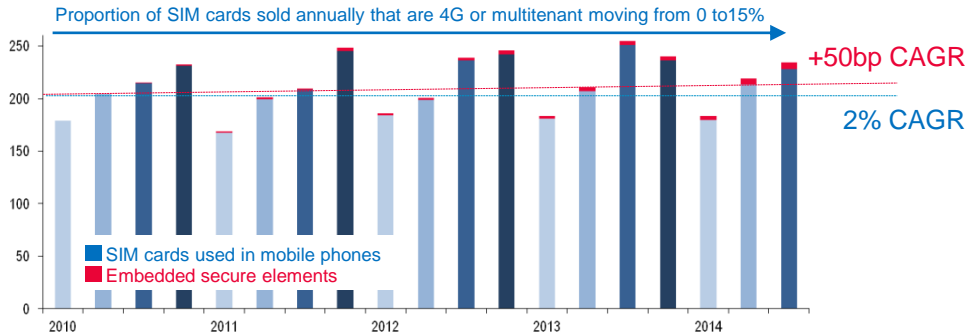
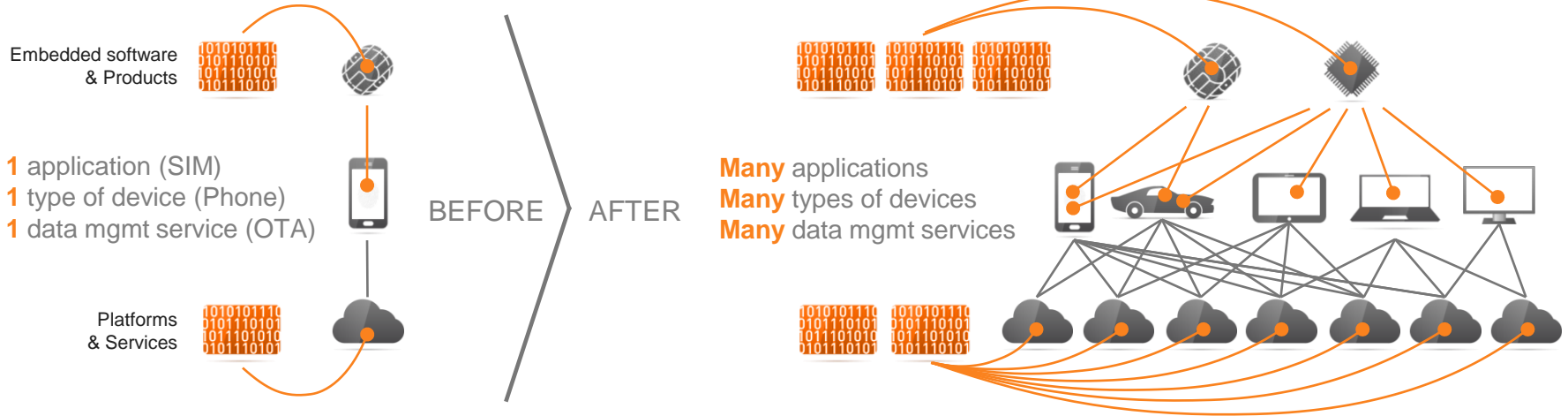


SE-Secured in-app and in-browser online payment

For banks, the Trusted Service Hub delivers secure payment data into a diverse range of devices



More generally, an acceleration in the spread of secure elements expands our market

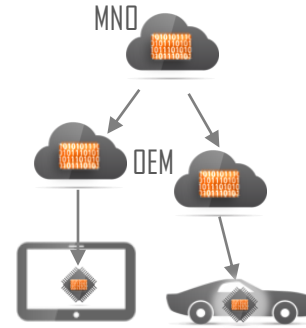


Embedded SIMs need both a SIM and subscription management



1 Integration of the SIM

- SIM integrated by OEMs
- Based on an advanced operating system, multitenant
- Contains a bootstrap MNO profile and access keys to enable further provisioning



2 Subscription management service

- Issuance of a new profile and access keys by the selected MNO
- Loading of the secure data into the preinstalled SIMs
- Based on the typical 2-sided TSM architecture (Supervisor=OEM, Service Provider=MNO)

Well adapted to expand to markets where devices are not distributed by MNOs and end-users don't pay directly for the subscription

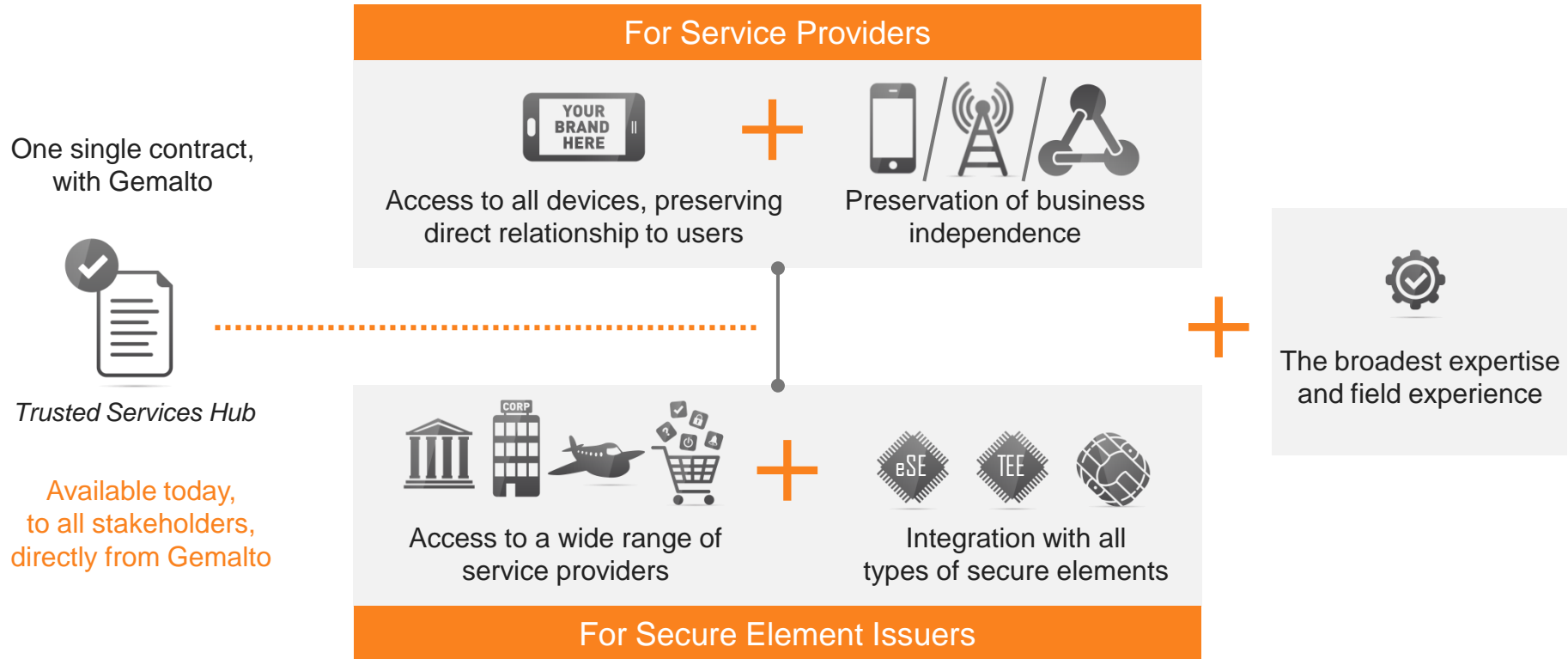
1 Value for Gemalto

- Gemalto's added value is unchanged (embedded OS, applications, secure processes, scale)
- Consumer device lifetime similar to postpaid SIM lifetime
- In place for the M2M market since 2011

2 Value for Gemalto

- An additional TSM service is necessary to manage MNO-issued subscriptions throughout the lifetime of a device
- Activation rate in line with current SIM renewal rate (higher for prepaid and lower for postpaid SIM markets)
- It is a many-to-many ecosystem served by Gemalto Trusted Service Hub

Gemalto offers market neutrality, expertise and wide reach



Gemalto

Enabling trust in the digital world

- ✧ World Leader in Digital Security ✧
- ✧ Markets in Strong Development ✧
- ✧ Unique Technology Portfolio ✧
- ✧ Blue Chip Customers ✧
- ✧ Large Free Float and Robust Financials ✧
- ✧ A Business Model with Strong Leverage on Growth ✧