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First quarter 2016 revenue

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Basis of preparation

Segment information

The Mobile segment reports on businesses associated with mobile cellular technologies including Machine-to-Machine, mobile secure elements (SIM, embedded secure element) and mobile Platform & Services. The Payment & Identity segment reports on businesses associated with secure personal interactions including Payment, Government Programs and Enterprise. The SafeNet acquisition is part of the Enterprise business.

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

Adjusted income statement and profit from operations (PFO)

PFO is a non-GAAP measure defined as IFRS operating profit adjusted for (i) the amortization and depreciation of intangibles resulting from acquisitions, (ii) restructuring and acquisition-related expenses, (iii) all equity-based compensation charges and associated costs; and (iv) fair value adjustments upon business acquisitions.

In the adjusted income statement, Operating Expenses are defined as the sum of Research and Engineering, Sales and Marketing, General and Administrative expenses, and Other income (expense) net.

Return on capital employed (ROCE) is defined as after-tax PFO divided by capital employed.

Currency exchange rates

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

Olivier PIOU - CEO

Overview

First quarter 2016 Highlights

- Revenue at €691 million, up +1% at historical exchange rates and flat at constant exchange rates
- Strong head start in Government Programs, Machine-to-Machine, Enterprise and Payment fully offsets softer markets in Latin America and Asia and lower sales to mobile network operators
- 2016 outlook confirmed

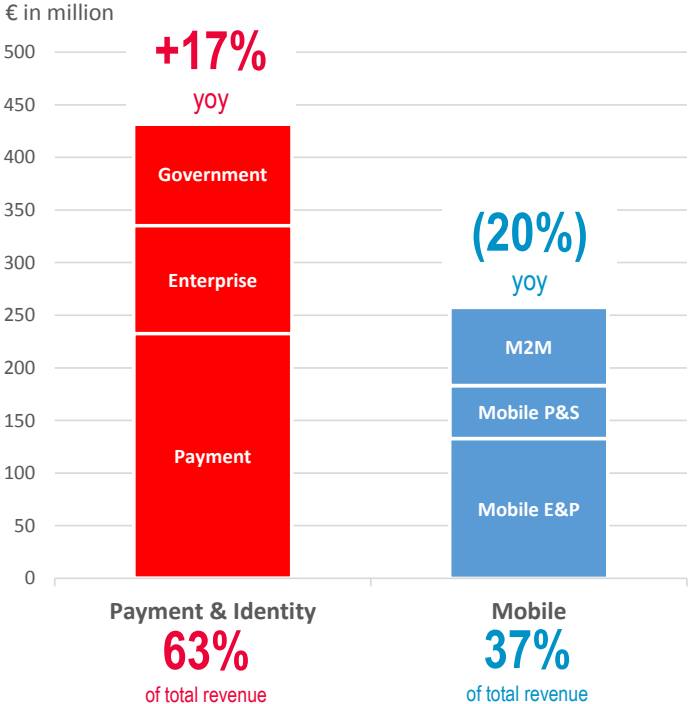
Revenue variations at constant exchange rate except where otherwise noted

Jacques TIERNY - CFO

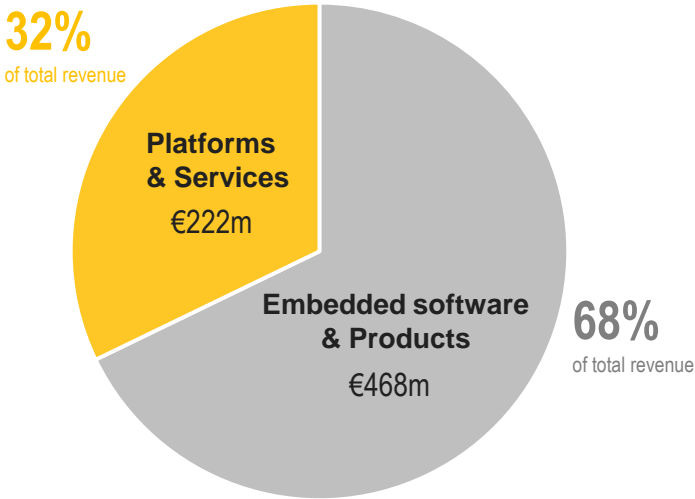
Revenue details

First quarter revenue composition

Main segment revenues



Activity revenues



Philippe VALLEE - COO

Segment information

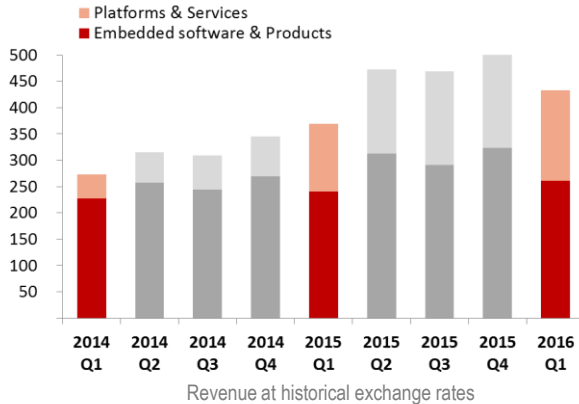
Payment & Identity – key financial information

Revenue

€ 433m

+17%

(2015 Q1: € 369m)

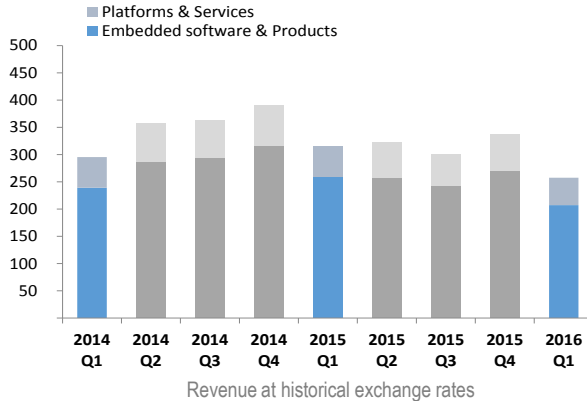


- Embedded software & Products grew by +7% at €261 million. Platforms & Services revenue came in at €172 million, up +35% year-on-year
- Payment business grew by +12% at €233 million versus Q1 2015
 - The Americas continue to post the largest growth, with strong sales of EMV payment cards and issuance services in the United States offsetting lower sales in Asia.
- Enterprise revenue came in at €103 million, up +14% year-on-year
 - The trend in revenue mix within the business continues to move towards a higher proportion of software services
- Government Programs revenue came in at €97 million, up +34% year-on-year
 - The revenue increase stems from strong deliveries of previously won projects in all regions, and €6 million from the addition of Trüb AG acquired in Q2 2015

Mobile – key financial information

Revenue
(20%)

€ 258m
(2015 Q1: € 316m)



- Embedded software & Products came in at €207 million
 - SIM business, represented 19% of total company sales in Q1, reduced by (34%) at €133 million due to the tail-end effect of the U.S. operators mobile payment service closing announced earlier and to lower demand in Latin America and Asia
 - The Machine-to-Machine business continued to grow, by +12% year-on-year on top of a strong +25% increase a year ago, at €75 million driven by the expanding global demand of connected devices and embedded secure elements (eSE) for the Internet of Things (IoT)
- Platforms & Services revenue came in at €50 million reduced by (9%) versus the same period last year
 - Mobile Financial Services revenue decreased year-on-year due to lower mobile payment in the U.S. as announced in August 2015

Priorities of Enterprise Business

DATA PROTECTION



Data Encryption



Crypto Management & Keys Protection

AUTHENTICATION



Authentication Management



Hardware & Software Authenticators

SOFTWARE MONETIZATION



Licensing & Entitlement Management



Software Integrity, Security & Protection

Continue to expand
technology partnerships

Higher proportion of
software services

Reinforce Investment



On-Premise



Cloud/SaaS

Key market trends for 2016

- Continuing expansion in the Internet of Things
- First deliveries of GSMA compliant eSIMs and related services
- Solid demand for Government Programs
- Deployment of EMV continues in the US with portfolio expansion
- Soft market environment in Asia and Latin America
- Sustained demand for data protection, software monetization and cybersecurity solutions

Olivier PLOU - CEO

Outlook

Outlook for 2016

For 2016, with the positive trends in Enterprise, Government Programs, Machine-to-Machine and the US EMV ramp-up effort completed, Gemalto expects to generate a +1.5 percentage point gross margin increase, accelerating its profit from operation expansion towards its 2017 objectives.

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 ✧