First semester 2016 Roadshow

August 26, 2016

Investor Relations
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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.
First semester 2016 Highlights

- Revenue of €1.5 billion, up +1% at constant exchange rates and stable at historical exchange rates

- Revenue growth in Government Programs up +25%, Enterprise up +12%, Payment up +11% and Machine-to-Machine up +9%, at constant exchange rates, fully offsets lower sales to mobile network operators

- Gross margin increases by +92 basis points, confirming 2016 outlook

- Strong free cash flow generated, up +€128 million compared to first semester of 2015

Extracts from the adjusted income statement, revenue variations at constant exchange rate.
Key figures from H1 2016 financial results

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>€1,495m</td>
<td>+1%</td>
</tr>
<tr>
<td>Gross profit</td>
<td>€586m</td>
<td>39.2%</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(€415m)</td>
<td>(27.7%)</td>
</tr>
<tr>
<td>Profit from operations</td>
<td>€172m</td>
<td>11.5%</td>
</tr>
<tr>
<td>Earnings per share</td>
<td>€1.20</td>
<td></td>
</tr>
</tbody>
</table>

Gross margin +92bp
OpEx ratio (9bp)
PFO margin +84bp

Extracts from the adjusted income statement

at historical rates
First semester revenue composition

Main segment revenues

<table>
<thead>
<tr>
<th>Segment</th>
<th>Revenue (€ in million)</th>
<th>% of total revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government</td>
<td>637</td>
<td>68%</td>
</tr>
<tr>
<td>Enterprise</td>
<td>484</td>
<td>32%</td>
</tr>
<tr>
<td>Payment</td>
<td>1,010</td>
<td>63%</td>
</tr>
</tbody>
</table>

Activity revenues

- Platforms & Services: €484m (32% of total revenue)
- Embedded software & Products: €1,010m (68% of total revenue)

September 2016
Gemalto first semester 2016 roadshow
## Adjusted income statement and IFRS

<table>
<thead>
<tr>
<th>€ in millions</th>
<th>All operations</th>
<th>Fair value adjustment upon acquisitions</th>
<th>Amortization of intangible assets</th>
<th>Equity based compensation</th>
<th>Restructuring and acquisitions related expenses</th>
<th>IFRS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>H1 2016</strong></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>1,495</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1,495</td>
</tr>
<tr>
<td>Profit from operations</td>
<td>172</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IFRS operating profit</td>
<td>(2)</td>
<td>(29)</td>
<td>(19)</td>
<td>(14)</td>
<td></td>
<td>108</td>
</tr>
<tr>
<td><strong>H1 2015</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>1,499</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1,499</td>
</tr>
<tr>
<td>Profit from operations</td>
<td>160</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IFRS operating profit</td>
<td>(67)</td>
<td>(23)</td>
<td>(17)</td>
<td>(19)</td>
<td></td>
<td>33</td>
</tr>
<tr>
<td>Key items of the cash flow statement</td>
<td>First Semester 2016</td>
<td>First Semester 2015</td>
<td></td>
<td></td>
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<tr>
<td>-------------------------------------</td>
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<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td><strong>Cash generated by operating activities before changes in working capital</strong></td>
<td>177</td>
<td>199</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net change in working capital</td>
<td>(43)</td>
<td>(57)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash used in restructuring actions and acquisition related expenses</td>
<td>(16)</td>
<td>(19)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Time de-correlated hedging effect / (Prepaid derivatives)</td>
<td>22</td>
<td>(84)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net cash generated by operating activities</strong></td>
<td>139</td>
<td>40</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital expenditure and acquisition of intangibles</td>
<td>(75)</td>
<td>(104)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Free Cash Flow</strong></td>
<td>64</td>
<td>(64)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquisitions</td>
<td>(3)</td>
<td>(888)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dividend paid to Gemalto shareholders</td>
<td>(42)</td>
<td>(37)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net proceed (repayment) from/of financing instruments and others</td>
<td>(24)</td>
<td>177</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net (debt) / cash, end of period</strong></td>
<td>(334)</td>
<td>(490)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Payment & Identity – key financial information

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>€ 937m</td>
<td>+14% (2015 H1: € 840m)</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>€ 374m</td>
<td>+20% (2015 H1: € 311m)</td>
</tr>
<tr>
<td>Gross Margin</td>
<td>39.9%</td>
<td>+296bp (2015 H1: 37.0%)</td>
</tr>
<tr>
<td>Profit from operations</td>
<td>€ 118m</td>
<td>+53% (2015 H1: € 77m)</td>
</tr>
<tr>
<td>PFO Margin</td>
<td>12.6%</td>
<td>+340bp (2015 H1: 9.2%)</td>
</tr>
</tbody>
</table>

- Embedded software & Products sales were up by +7% at €576 million. Platforms & Services sales increased to €361 million, up +27% at constant exchange rates.
- The Payment business grew by +11% year-on-year in H1 2016:
  - The Americas posted the largest growth, on strong sales of EMV payment cards and rapid expansion of issuance services in the United States, offsetting the lower sales in Asia.
- Revenue from the Enterprise business grew to €217 million, up +12% year-on-year:
  - The revenue improvement came from all three business lines, Encryption, Authentication and Software Monetization.
  - Accelerate sales & marketing and R&D investment to meet the increasing demand for cybersecurity and strengthen the Company’s offering.
- Government Programs revenue came in at €217 million, up +25% year-on-year:
  - Sales expansion came from deliveries of previously won projects and addition of Trüb in Q1.
  - All regions contributed to the growth and project backlog continued to expand.
- Payment & Identity’s gross margin improved to 40%, up +3 percentage points and PFO came in at €118 million, up +53%
Mobile – key financial information

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
<th>Change (2015 H1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>€ 557m</td>
<td>(13%)</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>€ 212m</td>
<td>(14%)</td>
</tr>
<tr>
<td>Gross Margin</td>
<td>38.1%</td>
<td>(33bp)</td>
</tr>
<tr>
<td>Profit from operations</td>
<td>€ 59m</td>
<td>(17%)</td>
</tr>
<tr>
<td>PFO Margin</td>
<td>10.6%</td>
<td>(50bp)</td>
</tr>
</tbody>
</table>

- Mobile revenue reduced by (13%) at constant exchange rates
- The SIM business decreased by (26%) in first semester with a (16%) year-on-year decrease in the second quarter
  - This was mainly due to the first quarter tail-end effect of the United States operators’ mobile payment venture closing, coupled with lower demand in Latin America and Asia
- Machine-to-Machine business for IoT continued to grow, by +9% year-on-year
  - The certifications of Gemalto M2M “Cat 1” wireless modules by several major Mobile Network Operators and the launch of world’s first Voice over LTE (VoLTE) Cat 1 modules with important new design wins continue to drive the business expansion across sectors and regions
- Mobile Platforms & Services grew by +15% in Q2 leading to a +3% growth in H1
  - Selected to provide On-Demand Connectivity (ODC) subscription management solution for KDDI connectivity to cars and IoT applications worldwide
  - Gemalto has also recently provided the ODC service to Orange for Samsung Gear S2 smartwatch
- Overall gross margin for the Mobile segment decreased slightly to 38.1% from 38.4%
- PFO came in at €59 million, i.e. a 10.6% profit from operations margin
Key trends for H2 2016

- Growth acceleration in the Internet of Things
- Soft market environment in Asia and Latin America
- Continuing expansion for Government Programs with solid win-rate
- High comparison basis for US EMV with strong deliveries in the previous year
- Take-up of dual interface cards in the US to be confirmed
- Increasing demand for data protection, software monetization and cybersecurity solutions
Outlook for 2016

For 2016, Gemalto expects to generate a +1.5 percentage point gross margin increase, accelerating its profit from operations expansion towards its 2017 objectives.
Full year 2015 earnings
Key messages
Full year 2015 Highlights

- Full year revenue of €3.1 billion, up +16%, and profit from operations up +10%, at €423 million
- Revenue in Payment & Identity at €1.8 billion, represents 58% of the total sales
- Platforms & Services revenue reaches €898 million, up +70%
- Free cash flow generation accelerated over the year, with €233 million in the second semester

Extracts from the adjusted income statement, revenue variations at constant exchange rate.
Successful diversification and structural transformation

2006
€1,698m

2014
€2,465m

2015
€3,122m

Charts not to scale

Payment & Identity
Mobile

Embedded software & Products
Platforms & Services

Payment
Mobile P&S & Mobile E&P

64% of 2006 revenue

Government
Enterprise

Payment
Mobile E&P

52% of 2014 revenue

Government
Mobile P&S

Enterprise
Mobile E&P

47% of 2014 revenue

M2M

41% of 2015 revenue

M2M

Mobile P&S

36% of 2006 revenue

€3,122m

58%

do of 2015 revenue

64%
do of 2006 revenue

36%
do of 2006 revenue

47%
do of 2014 revenue

20%
do of 2014 revenue

~30%
do of 2015 revenue

20%
do of 2014 revenue

80%
Key figures from FY 2015 financial results

Revenue  €3,122m  +16%

Gross profit  €1,216m  39.0%

Operating expenses  (€793m)  (25.4%)  +39%

Profit from operations  €423m  13.5%  +10%

Earnings per share  €3.45  (5%)

at historical rates  +27%

Gross margin  +33bp

OpEx ratio  (231bp)

PFO margin  (198bp)

Extracts from the adjusted income statement
FY 2015 revenue composition and variation details

Main segment revenues

<table>
<thead>
<tr>
<th>Segment</th>
<th>2015 Revenue (€m)</th>
<th>% of Total Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government</td>
<td>1,594</td>
<td>58%</td>
</tr>
<tr>
<td>Enterprise</td>
<td>672</td>
<td>27%</td>
</tr>
<tr>
<td>Payment</td>
<td>524</td>
<td>19%</td>
</tr>
</tbody>
</table>

Year-on-year 2015 revenue variations details

- +16% yoy proforma
- (10%) yoy variation
- +12% currency variation effect
- +9% currency variation effect
- +6% pro forma growth
- -2% pro forma growth
- €2,465m

Pro forma figures include Safenet revenue for the full year of 2014 and 2015.
## Adjusted income statement and IFRS

### Adjusted income statement

<table>
<thead>
<tr>
<th></th>
<th>All operations</th>
<th>Fair value adjustment upon acquisitions</th>
<th>Amortization of intangible assets</th>
<th>Equity based compensation</th>
<th>Restructuring and acquisitions related expenses</th>
<th>IFRS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>€ in millions</strong></td>
<td></td>
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<tr>
<td><strong>FY 2015</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>3,122</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3,122</td>
</tr>
<tr>
<td>Profit from operations</td>
<td>423</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IFRS operating profit</td>
<td></td>
<td>(71)</td>
<td>(61)</td>
<td>(39)</td>
<td>(49)</td>
<td>203</td>
</tr>
<tr>
<td><strong>FY 2014</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>2,465</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2,465</td>
</tr>
<tr>
<td>Profit from operations</td>
<td>383</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IFRS operating profit</td>
<td></td>
<td>-</td>
<td>(27)</td>
<td>(55)</td>
<td>(30)</td>
<td>270</td>
</tr>
</tbody>
</table>
## Key items of the cash flow statement

<table>
<thead>
<tr>
<th>€ in millions</th>
<th>Full Year 2015</th>
<th>Full Year 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash generated by operating activities before changes in working capital</strong></td>
<td>443</td>
<td>394</td>
</tr>
<tr>
<td>Net change in working capital</td>
<td>65</td>
<td>(81)</td>
</tr>
<tr>
<td>Cash used in restructuring actions and acquisition related expenses</td>
<td>(29)</td>
<td>(20)</td>
</tr>
<tr>
<td>Prepaid derivative for currency protection program</td>
<td>(124)</td>
<td>0</td>
</tr>
<tr>
<td><strong>Net cash generated by operating activities</strong></td>
<td>355</td>
<td>294</td>
</tr>
<tr>
<td>Capital expenditure and acquisition of intangibles</td>
<td>(185)</td>
<td>(125)</td>
</tr>
<tr>
<td>Acquisitions</td>
<td>(897)</td>
<td>(84)</td>
</tr>
<tr>
<td>Dividend paid to Gemalto shareholders</td>
<td>(37)</td>
<td>(33)</td>
</tr>
<tr>
<td>Net proceeds from financing activities</td>
<td>117</td>
<td>555</td>
</tr>
<tr>
<td><strong>Net cash (debt), at end of the period</strong></td>
<td>(335)</td>
<td>493</td>
</tr>
</tbody>
</table>
Moving forward
Expected gross margin improvement, as in previous plans

Build foundations
Prove offer value and expand skills
Enable trust
Gross margin improvement plan

Payment & Identity
- Enterprise (Portfolio integration)
- Government Programs (Scale effect)
- Payment (Optimizing the US EMV operations)

Mobile
- Mobile E&P (Adapt resources to market evolution)
- M2M (Scale effect)
- Mobile P&S (Redeployment of resources)

2015 Company Gross Margin
- 39%

Outlook
- +1.5%

Gemalto first semester 2016 roadshow
September 2016
Priorities of the Payment business

Embedded software & Products
- Portfolio migration (Credit, Debit, Private label, Prepaid)
- Need for more security (DDA, Dynamic CVV)
- Dual interface User Experience

Platforms & Services
- Issuers
- Perso Centers
- Instant Issuance
- Self-Service Issuance
- Mobile Issuance

Focus and Improve efficiency in Payment services

Smart Payment Cards penetration in the banked population

Penetration of Smart Payment Cards
- Total number of Payment Cards in circulation
- Penetration of Smart Payment Cards

- 54% in 2016 (6.3bn)
- 70% in 2020 (9.1bn)

Smart Payment Card Issuances (millions)

Penetration rate
- > 80%
- > 50%
- > 20%

Source: IHS Technology, ABI, Gemalto
Gemalto’s end-to-end offer for the Internet of Things (IoT)

Embedded software & Products

**Wireless Modules**
To bring the connectivity feature
(World first VoLTE, Cat1)

**Machine Identification Modules**
/ Embedded SIM
To authenticate on Mobile Network

**Embedded Secure Element (eSE)**
To authenticate and secure connection with Service Providers

Use cases:
- eCall
- Entertainment
- Telematics
- Maintenance

Platforms & Services

**On-Demand Connectivity**
Remote subscription management

**SensorLogic Platform**
Transform big data into smarter data for business actions

**Consulting Services**
Expertise in security architecture

**Trusted Services Hub**
Credential and token management

Investments in innovation continue to drive business expansion across sectors and regions

Focus our efforts on verticals which value our expertise

- **Automotive**
- **Site Security**
- **Payment Systems**
- **Track and Trace**
- **Metering**
- **eHealth**
- **Maintenance**

*Source: GSMA Forecasts*
While SIM market evolves, the need to authenticate remains

**While SIM market evolves, the need to authenticate remains**

**2014**
- Machine-to-Machine (M2M)

**2016**
- Consumer secondary devices

**Currently being defined**
- Consumer primary devices

**Platforms & Services**
- On-Demand Connectivity
  - Remote subscription management
  - >20 references
- Over the Air (OTA)
  - Lifecycle management
  - >300 references
- Trusted Services Hub
  - Credential and token management
  - >20 references

**Embedded software & Products**
- MNO subscriptions
  - Embedded SIM
  - Removable SIM
  - Embedded Secure Element (eSE)
  - Trusted Execution Environment (TEE)

**Bringing technical expertise to both device manufacturers and mobile network operators**

**Source:** Gemalto, McKinsey & Company
The Trusted Service Hub interconnects and manages diverse sensitive software and data

Supports token-based credential management

- Banks
- Transit
- Enterprises
- eSE, SE
- TEE, HCE apps

Thousands → TSH Trusted Service Hub → Tens

On site, from Gemalto or not
Serviced by Gemalto
To join, serviced by Gemalto or not

Hundreds →

Gemalto first semester 2016 roadshow
September 2016
SIM revenue trend over the last 5 years

Quarterly SIM revenue at constant exchange rates, excluding embedded Secure Elements

- 2010: (1%)
- 2011: +2%
- 2012: +2%
- 2013: +2%
- 2014: +1%
- 2015: LTM CAGR since 2010 ~3%

Softcard service closing (~3%)

Sources Gemalto - Charts not to scale

SIM at 45% of total Gemalto sales
SIM at 20-25% of total Gemalto sales
Diversification in Gemalto’s sources of revenue

Last twelve month CAGR stable +/- a few percent since 2010
No major anticipated change in macro trend
Government Programs back to strong growth

Backlog is at record high from solid win rate in a growing market

Installled base at the 2013 announcement of Gemalto multi year development plan
Updated Installed base

Penetration of eID, eDL and eHealthcare

Penetration of ePassports

Sources: ABI research, ICAO, Gemalto - Government-issued digital identities in electronic documents

Charts not to scale
Software and data stacks in secure elements are diverse

User data

Issuer data and applications

Industry applications

Operating system

Secure hardware
On track to achieve Platforms & Services revenue of €1B in 2017

Building on a unique asset
Enterprise Security
Government sector accounted for 43% of compromised data records, up 476% from 2014 due to several very large data breaches in the United States and Turkey, and 16% of all data breaches.
SafeNet Data Encryption Solutions

The world’s most comprehensive portfolio of solutions for encrypting data at rest in physical, cloud, or virtual datacenters, as well as, in transit from trusted location to another.

Offers the industry’s most expansive ecosystem of integrations for encrypting data within third party environments.
SafeNet offers the world’s most certified and widely deployed portfolio of crypto management solutions for securing and managing encryption keys and also executing cryptographic functions such as code signing.

Indicates a SafeNet Product

Industry’s most expansive ecosystem of crypto management integrations

37 KeySecure Integrations

359 HSM Integrations
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
2014 – 2017
Multi-year development plan summary

Full document can be downloaded from www.gemalto.com/investors
Gemalto brings trust to 5 global markets

**Mobile Communication**
- 800 mobile carriers
  - World #1 with 95% of the world’s top 100 MNOs as clients

**Machine-to-Machine**
- 10,000+ industrials and distributors
  - A world leader for cellular connectivity technology

**Electronic payment**
- 12,000+ financial institutions
  - World #1 for card-based and mobile payment

**eGovernment**
- 193 governments
  - World #1 with more than 80 eDocument references from Gemalto

**Enterprise security**
- 200,000+ large companies and system integrators
  - A world leader for user authentication from Gartner’s Magic quadrant

Addressed with similar core technologies creating internal synergies

Sources: GSMA, Gemalto, FDIC.gov, European Central Bank, United Nations, US Census Bureau, Eurostat SBS

1 Electronic payment cards and Trusted Service Management contract coverage for EMV mobile payment
These markets still have large penetration potential

Products: Average replacement cycle: 2 years
Services: Typical contract duration: 3-5 years

Source: GSMA, EMVCo, National Gold Card Foundation, Nilson Report, ABI Research, Gartner, Ericsson, Gemalto
Establish clear leadership in historical smart card markets

- Reallocate resources to develop data management and to serve adjacent sectors

10% profit margin reached ahead of plan

2006 – 2009

Build foundations

Extend Platforms & Services through organic growth and targeted acquisitions

- Reinforce leadership in securing transactions, identities and access rights

€300m profit from operations reached ahead of plan

2010 – 2013

Prove offer value and Expand skills

Become the trusted services management provider of choice for the digital world

- Develop a mix of platforms & services offers supported by the secure products and software clients

New objectives announced

2014 – 2017

Enable trust

10% profit margin reached ahead of plan

€300m profit from operations reached ahead of plan

New objectives announced

Gemalto first semester 2016 roadshow
September 2016
One of our differentiators is our unique position on the two end-points of the trust chain.
the Client

To protect IDs

World’s #1

Embedded software & Products
protecting unique digital identities that represent people on global digital networks against theft and misuse

the Back-end

To manage IDs and validate access

World’s #1

Platforms & Services
giving people strong digital identities and checking them when they access connected services
We also leverage two other unique assets
Our technology

Trust is founded on reliable identities

Our technology to secure digital identities and access services has proven to be an

Unmatched combination of security, scalability and cost efficiency

Our market neutrality

Our customers want to preserve a direct relationship with their billions of end-users

To make their interactions trusted, our approach is clear

We operate behind the scenes and under the hood
Our two new objectives, for 2017

660 million in profit from operations

1 billion in revenue from Platforms & Services

Upgraded from €600m in March 2015 following the acquisition of SafeNet
Five in Embedded software & Products

Expected 2013-2017 revenue CAGR and expected contribution to the total revenue growth

Mid single-digit

2013–2017 revenue CAGR

~50% of total Gemalto growth

1835

2012

2017

Chart not to scale
Five in Platforms & Services

Expected 2013-2017 revenue CAGR and expected contribution to the total revenue growth

Low twenties

2013–2017 revenue CAGR

Chart not to scale
We will continue to follow a clear policy for allocation of cash flows
With a similar pattern

Operating cash flow generated by 2017

Capital expenditure

Bolt-on acquisitions

Dividend, share buy-back

Cash available in 2012

Each of the three allocations of generated cash flow is significant
Allocations to capital expenditures

Property, plant, equipment

\[\sim 2.5\% \text{ of sales}\]

- An increasing share of tangible capex investments go to datacenters (we rent the facilities space but have to comply with specific certifications)
- Focus on leveraging our existing global footprint

Capitalized R&D and intangibles

\[\sim 2.5\% \text{ of sales}\]

- We have to capitalize some R&D as per IFRS
- Most of the increase observed in the last plan relates to the acquisition of Cinterion and the ongoing M2M activity
We will continue to do bolt-on acquisitions

We typically evaluate two types of bolt-on acquisitions

Technology
Innovative new technologies and adjacent technology bricks that complement our existing portfolio

Market reach
Gain better access to customers or enter attractive new markets

Purchased acquisitions
We will continue our cash return to shareholders

Annual dividend: stable or growing

Share buy-back complement
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