First quarter 2018 Roadshow

Gemalto Investor Relations
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Basis of preparation

Segment information
The Identity, IoT & Cybersecurity segment comprises businesses associated with homeland security for governments ("Governments"), IoT connectivity for industrial applications ("IoT") and cybersecurity for enterprises ("Cybersecurity"). The Smartcards & Issuance segment comprises businesses mainly associated with removable SIM cards ("SIM"), payment cards ("Payment") and their issuance services. The segment includes as well businesses associated to the digital transformation of smart cards ("Digital") such as digital payment, digital banking, remote subscription management, embedded SIM/MIM and embedded secure elements. Patents business is also included in this segment.

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 impairment 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.

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.

Net debt and net cash
Net debt is a non IFRS measure defined as total borrowings net of cash and cash equivalents. Net cash is a non IFRS measure defined as cash and cash equivalents net of total borrowings.

All figures presented in this presentation are unaudited.
Overview
First quarter 2018 highlights

- First quarter revenue at €650 million, up +8% at constant exchange rates and +3% excluding the Identity Management Business contribution

- Double-digit revenue growth in Identity, IoT & Cybersecurity segment

- Slower rate of revenue decrease in Smartcards & Issuance segment

- 2018 full year outlook confirmed

- On March 27, 2018 Thales launched its offer for all Gemalto shares

Revenue variations at constant exchange rate except where otherwise noted
First quarter revenue breakdown

Q118

- Smartcards & Issuance: 357
- Identity, IoT & Cybersecurity: 293

Q117

- Smartcards & Issuance: 55%
- Identity, IoT & Cybersecurity: 39%
- Identity, IoT & Cybersecurity: 45%

€ in millions

(2%) YoY

+24% YoY
Segment information
Identity, IoT & Cybersecurity – key financial information

- Governments business: very strong revenue growth
  - IMB €35 million contribution
  - Commercial synergies
  - Solid passport contribution in Europe and Asia
  - Launch of new laser security features for ID documents

- Cybersecurity business: solid performance
  - General Data Protection Regulation (GDPR) in Europe
  - Broad concern on data security and data privacy

- IoT business: outstanding performance
  - Strong deliveries in Europe and Asia & new design wins
  - Key industrial sectors: connected health, smart payment, connected cars
  - Security and scalability remain key criteria for implementation of IoT applications

Revenue

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Revenue (€m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 2017</td>
<td>256</td>
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<tr>
<td>Q2 2017</td>
<td>317</td>
</tr>
<tr>
<td>Q3 2017</td>
<td>348</td>
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<tr>
<td>Q4 2017</td>
<td>357</td>
</tr>
<tr>
<td>Q1 2018</td>
<td>293</td>
</tr>
</tbody>
</table>

+24% (2017 Q1: €256m)
Smartcards & Issuance – key financial information

Revenue €357m (2017 Q1: €396m)

- Payment business stabilized
  - US EMV continued to gradually normalize. Sales in Americas decreased (5%) vs (34%) in Q117
  - CIS and Middle East regions posted strong performances
- SIM revenue declined
  - PFO margin objective: low profit-margin opportunities in South-Asia were dismissed
  - Transition Plan new milestone: exit of a specific low-end removable SIM market
- Digital
  - Connectivity solutions deployments increased for IoT market
  - ODC services spread across all regions and MNOs
Moving forward
Thales offer updated calendar

**Q1/Q2 2018**
- March 27, 2018 Offer launch. Acceptance period from March 28 to June 6, 2018
- After Launch, regulatory clearances will be the key time driver
- End of Offer period will in practice be aligned with regulatory process

**H2 2018**
- Expected end of Offer Period
- Unconditional Date, press release announcing if offer conditions are met and offer declared unconditional
- Closing and settlement
- Commencement of 2 week post-acceptance period (if any)

- Announcement
- Prepare Offer Memorandum
- Signing merger agreement
- O.M. approval process
- Regulatory clearances
- File Offer Memorandum with AFM
- Launch Offer March 27, 2018
- 2018 Gemalto AGM May 18, 2018
- End of Offer Period Q3/Q4 2018 (expected)
Key areas of focus for 2018

Identity, IoT & Cybersecurity

• Stronger demand for citizen protection solutions: ePassport (UK Passport win for 10 years), border control solutions and biometrics
• Cybersecurity: increased concern in data security, data privacy & regulations enforcement
• Pursued expansion of IoT in a variety of industrial sectors

Smartcards & Issuance

• Continuous focus on cost optimization and selective sales strategy based on profitability
• ODC roll out accelerates with most MNOs across regions
2018 Outlook confirmed

**Double digit revenue growth** expected in the Identity, IoT & Cybersecurity segment

**Stable PFO margin** expected in the Smartcards & Issuance segment

**Mid to High single digit growth in profit from operations** expected at Gemalto level
Gemalto N.V. will hold its 2018 Annual General Meeting of Shareholders (AGM) on **Friday, May 18, 2018 at 10:00 AM** Amsterdam and Paris time at the **Hilton Amsterdam Airport Schiphol**, Schiphol Boulevard 701, 1118 BN Schiphol, the Netherlands.
Additional Information
Gemalto’s positioning in Cybersecurity

DRIVERS
High Profile Attacks
Increased demand for Mobility & Cloud
Stricter regulation

INFORMATION SECURITY MARKET
2017-2021 CAGR
Mid to high single digit

Source: Gartner, IDC
* Sub segments Advanced Authentication and Identity management

AUTHENTICATION
Identity and Access Management*
Moving from Hardware to Software Authenticators
Fragmented market

DATA PROTECTION
Cloud providers agnostic
Leadership

DATA PROTECTION
Hardware Security Modules
Low teens CAGR

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Integrating biometrics into Gemalto’s end to end offer

Source: ABI research, Gemalto H1 2017 results

eDocuments issuance (m Units)

2017: 700
2021: 750 +7.1% CAGR

Source: ABI research, Gemalto H1 2017 results

Fingerprint recognition Biometrics market for Government (bn US$)

2017: 100
2020: 120 +12.9% CAGR

Source: Market and Market, Gemalto H1 2017 results
Example of Biometric Identification

DATA CAPTURE
- Images are captured with specialized scanners, cameras, or other equipment
- Data is provided to a centralized database, stored locally or discarded after feature extraction

FEATURE EXTRACTION
- Biometric features are extracted from the captured images
- Stored in proprietary or standardized templates in verification or identification systems

COMPARISON & MATCHING
- New records are searched and compared against databases
- Biometric images are matched using proprietary algorithms with unparalleled speed and accuracy

STATS OF A DEPLOYED CLIENT SOLUTION
- 200 million records in database
- 6 second watch list response time
- 200,000 search transactions daily
- 99.7% accuracy
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

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**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

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**Use cases:**
- eCall
- Entertainment
- Telematics
- Maintenance

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**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

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**M2M cellular module new connections**

Source: GSMA Forecasts

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Dynamics of EMV market

Our US customers continue to adjust their views on the normalized EMV market based on the latest feedback from their partner programs.

52%
2016 US EMV Chip Card adoption rate
Source: EMVCo

Worldwide smart payment card issuances (million units)

+5.7%
2017-2021 CAGR

Portfolio evolution

- Dual interface
- EMV card with fingerprint biometrics
- Mobile issuance
- Need for more security (Dynamic CVV)

Source: IHS Technology, EMVCo, Gemalto
While SIM market evolves, the need to authenticate remains

Prepare for the next generation of devices

More competitive landscape as MNOs push out upgrade of removable SIM to focus on next generation connectivity

Bringing technical expertise to both device manufacturers and mobile network operators

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

- **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
Gemalto Next-generation Digital Security

Digital Identity

Data Protection

Digital privacy enabled
Gemalto and 3M’s Identity Management are complementary

**Building on a unique asset**

Authenticating and Identifying individuals in a fast and reliable way through the use of unique biological characteristics will enable consumers to have seamless access to services.
Transition plan on track

2017

Around €15M
Positive PFO impact

Transition plan announcement in H1 2017
1. SIM and related services:
   ✅ Refocus on key geographical areas → adapt sales force
   ✅ Portfolio review in services → Marketing and delivery resource optimization / shut down of a sub business line
2. Payment:
   ✅ Footprint optimization → manufacturing rationalization (i.e. US, China)

On a full year basis

Above €50M
Positive PFO impact

1. SIM and related services:
   ✅ Geographical refocus and portfolio review to continue
2. Payment:
   ✅ Further footprint and capacity optimization
   ✅ Increase operating efficiency
3. Full effect of the measures launched in 2017
Our plan will accelerate with Thales

Our mission

We grow and complement our technology portfolio

Gartner 2016

<table>
<thead>
<tr>
<th>Company</th>
<th>Rank</th>
<th>Revenue ($bn)</th>
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<tbody>
<tr>
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<tr>
<td>Gemalto+Thales</td>
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Gemalto
Enabling trust in the digital world