



NEWSLETTER

ISSUE#2



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Telecommunications

E d i t o

by Eric Dominici

Dear Reader,

Welcome to the second edition of our Vodafone Newsletter.

83%: that is the overall rating for Gemalto in the latest supplier performance evaluation, paving the way to our 2009 target of 90%!

For a company that is not yet one year old (and compared to the previous rating of 79%) this is strong encouragement to further strengthen our strategy for customer focus and business continuity.

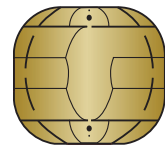
In this issue, we will entertain you with NFC - today's hot topic in many countries - phonebook backup and contact exchange solutions.

Enjoy your reading, and many thanks for your continued support.

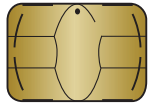
Yours sincerely,

ERIC DOMINICI,
V-P Sales, Vodafone,
Gemalto

A NEW LOOK FOR A NEW COMPANY



World module



Wide module

This is how your new Gemalto modules will look: a successful merge of our two previous modules symbolizing the birth of Gemalto and its consolidated physical footprint on the cards.

These new module shapes, World, and Wide, convey the branding message from Gemalto of being the leading smartcard market actor throughout the globe.

The World module has been designed for large chip dimension whereas the Wide module will be implemented for smaller size chips.

The implementation of the World module will gradually start from June 2007 whereas the Wide module implementation will be introduced from October 2007.

The new Gemalto modules are fully compatible with ISO 7816 and GSM 11.11 standards and should not affect your current artworks implementations.

NEW VALUE PROPOSITION

Releasing the potential of Near Field Communication (NFC)

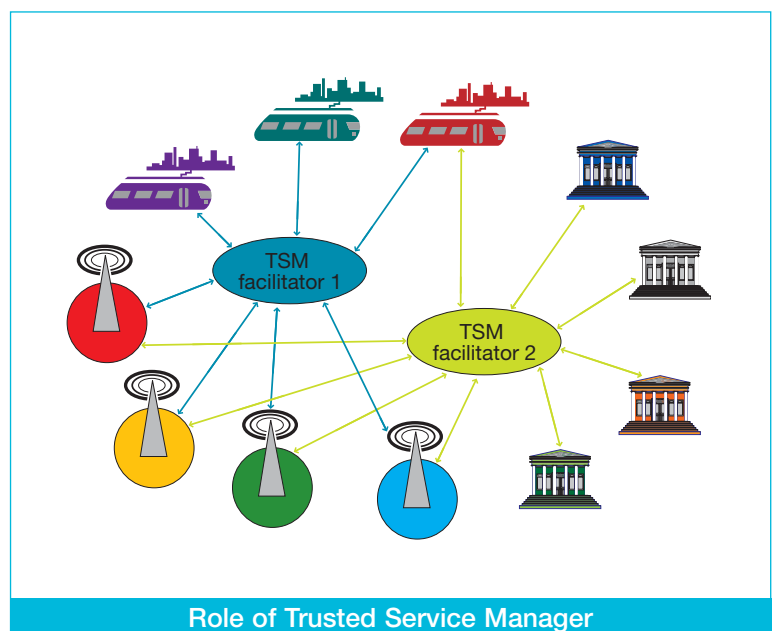
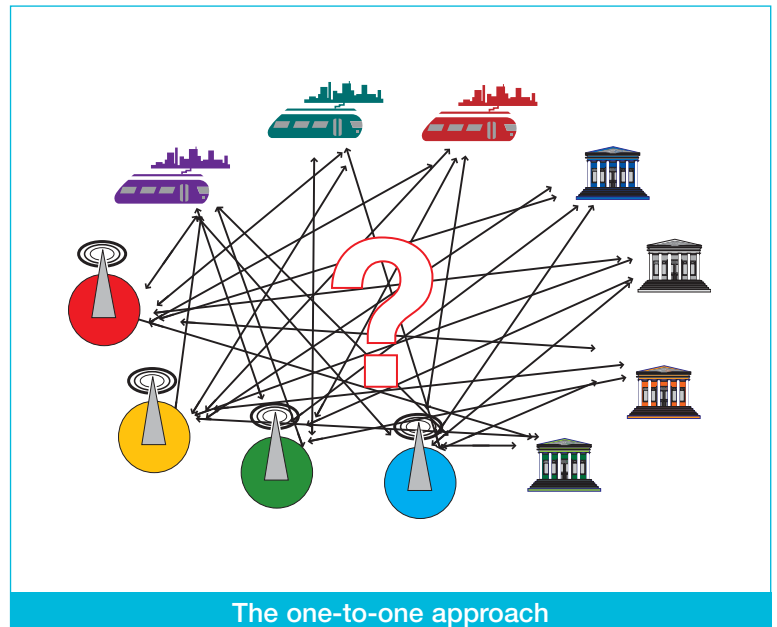
For mobile network operators seeking growth beyond voice and data services, the opportunities for exploiting mobile contactless technology have never been better.

But success in NFC requires more than technology. This is a new business that requires co-operation between the mobile operator and service providers such as banks, payment institutions, transport companies. There has to be a profitable business model for all the stakeholders of the value chain.

In most of today's pilots, commercial agreements were concluded between one mobile operator and one service provider, and this one-to-one approach is very efficient when the priority is to launch field trials fast. But this model is too complex for a large deployment. It would require too many business agreements between players, and it would definitely take too long.

The Trusted Service Manager

As highlighted by the GSMA in a white paper (published February 2007) the role of **Trusted Service Manager** is central to a successful mobile NFC deployment. There is a clear need for intermediates, for business facilitators acting as catalysts, neutral



intermediaries between mobile operators and service providers.

The benefits of this architecture are significant...

- mobile operators have a single contact point, to access multiple service providers.
- service providers have a single contact point, allowing them to offer contactless services to customers, regardless of the mobile operator.

Gemalto - a natural for the role

Positioned at the crossroads between mobile operators, banks and the transport industry, Gemalto has the key assets required to offer intermediation services mobile contactless business.

- Neutral
- Largest installed base of OTA platforms managing more than 700 million SIM cards for more than 170 mobile operators
- Strong expertise in banking and transportation personalization, with 32 personalization bureaux all over the world
- Operator friendly approach: right from the start, Gemalto has supported the role of the SIM in NFC, to ensure that mobile operators will drive the mobile contactless business.
- Experience in operating services
- Worldwide presence
- Pure B2B approach.

NEWS

Gemalto NFC activities with Vodafone

Gemalto has built up a unique body of expertise in mobile contactless applications through our active involvement in key pilots for mobile payment, transport, and smart posters.

We are currently working with Vodafone affiliates and partners in several domains. We are actively involved in two pilot projects SFR is conducting to validate the key use cases of NFC: payment with Crédit mutuel and Master Card in Strasbourg, and transport with RATP in the Paris metro.

In the Paris metro trial, SFR has chosen the SCWS (Smart Card Web Server) technology to develop the mobile ticketing application. SCWS offers a graphical user interface for value added services and powerful branding capabilities.

We are also working with Vodafone Group to define the technical specifications of SIM based mobile contactless.

Maximizing the Value of the Phonebook

The phonebook is at the center of all mobile communications. Voice calls, SMS, mobile emails and mobile Instant Messaging all emanate from the phonebook - so if mobile operators are going to be more than bandwidth providers in the future, they need to ensure they own and enhance the phonebook.

Gemalto is helping operators maximize the value of the mobile phonebook with the LinqUs Phonebook Management product suite, a set of complementary services including Phonebook Backup, and contact management using CallerXchange.

LinqUs Phonebook Backup allows subscribers to manage and save their contacts on demand, very easily, directly from their mobile or through a Vodafone website. As an example, since SFR launched the service 18 months ago more than 2 million end-users have saved their phonebooks on the web. In addition, SFR has recorded over 4 million synchronizations with this service.

CallerXchange is a peer-to-peer mobile service from Gemalto partner OnePIN Inc. that makes it easier to exchange contact information, helping subscribers to stay connected and enhance relationships.

CallerXchange is fully integrated with LinqUs Phonebook Backup: together, they maximize the value of the phonebook for Vodafone and its subscribers. Gemalto is currently working with a number of Vodafone Group Operators on the deployment of CallerXchange.

The ARPU generator

Vodafone Operators can now give all subscriber segments an easy-to-use service that manages and maintains accurate and up-to-date phonebooks.

- Increases ARPU:
 - Generates new SMS exchanges after phone calls.
 - Boosts the number of contacts in the phonebook, so users make more calls and send more SMS messages.
 - Increases usage of phonebook backup and synchronization.
- Increases subscriber stickiness.
- Eliminates the hassle of managing a centralized database of contacts.

Drives subscriber acquisition through viral marketing of Vodafone-branded SMS.

At the click of a button,

subscribers can now easily acquire additional contacts in their phonebook without thumb-crippling text input. Contact information is always accurate with automatic up-to-date information.

- Enables Send, Insert or Update with a simple click of a button.
- Allows subscribers to create multiple profiles (business, personal).
- Saves multiple numbers per contact.
- Enables subscribers to send profile updates - quickly and easily - when their contact information changes.

Acts as an ever-present assistant, helping subscribers to stay connected and enhance relationships.

For more information on LinqUs Phonebook Backup and CallerXchange, contact Christian Rochebloine your account representative. (Needs contact details)



CallerXchange™
A OnePIN Innovation™

Events

SPAIN 3GSM 2007 World Congress, February 12-15, 2007-Barcelona



Gemalto continually evolve new ways to help its customers bring excitement, innovation and trust into the daily lives of billions of users.

Gemalto teams decided to organize the stand around solutions provided to customers from entry-level products to advanced solutions to powering new value propositions, including: LinqUs the unique end to end Gemalto offer promoting all the services around the phone book management, dynamic service update, intelligent roaming management, handset provisioning help and support covering a very large installed base of handset in use today across the world.

"We took the opportunity to demonstrate also advanced mobile communications solutions that improve the overall experience of the mobile phone users around proximity services such as payment and transport, multimedia experience like storing the most frequently visited portal pages off-line on the SIM or our TV on Mobile experience secured with conditional access system tools managed from the card" says Philippe Vallée, Executive Vice-President Telecommunications and R&D.

"Our customers gave us some extremely positive feedback on our demonstrations. 3GSM is a great platform to meet all the key actors in the telecommunications industry, reinforce relationships, establish valuable contacts and initiate some promising projects," he adds.

This newsletter is published by Gemalto.
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Any other topics or issues you'd like
to read about?

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your feedback

About Gemalto

Gemalto (Euronext NL 0000400653 GTO) is a leader in digital security with pro forma 2006 annual revenues of \$1.7 billion, operations in about 100 countries and over 10,000 employees including 1,500 R&D engineers. In a world where the digital revolution is increasingly transforming our lives, Gemalto's solutions are designed to make personal digital interactions more convenient, secure and enjoyable. Gemalto provides end-to-end digital security solutions, from the development of software applications through design and production of secure personal devices such as smart cards, SIMs, e-passports, and tokens to the management of deployment services for its customers. More than a billion people worldwide use the company's products and services for telecommunications, financial services, e-government, identity management, multimedia content, digital rights management, IT security, mass transit and many other applications. As the use of Gemalto's software and secure devices increases with the number of people interacting in the digital and wireless world, the company is poised to thrive over the coming years. Gemalto was formed in June 2006 by the combination of Axalto and Gemplus.

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security to be free