



Axalto Achieves Major Deployment of MagIC X1000 GPRS in the UK

Product helps businesses meet the ever-increasing demand for wireless payment

Amsterdam, August 4, 2005 – Axalto (Euronext NL0000400653 AXL), the world's leader in microprocessor cards and a major supplier of point-of-sales terminals, today announced that it has successfully supplied its fully mobile digital MagIC X1000 GPRS terminal to 123 Send, a specialist supplier of completely wireless mobile payment solutions. The first terminals were deployed in May, with a further 3,000 units to be delivered.

Axalto's wireless MagIC X1000 GPRS terminal provides tangible benefits to the merchants and to the banks. Because it uses the GPRS network for communication with the banking host, it allows complete mobility and is therefore ideally suited for merchants on the move (market traders, fast food deliverers, trade show exhibitors, etc.) Once the terminal is connected to the GPRS network, it remains in an always-on state, significantly reducing transaction times when compared to a standard desktop POS terminal. The MagIC X1000 GPRS is a very cost-effective operational solution as users are charged per volume of data transmitted rather than per time spent on-line. MagIC X1000 GPRS terminals have already been used at major events including Wimbledon and the Chelsea Flower Show.

"We are committed to offering our customers the opportunity to process real-time card transactions at pretty much any location, whether it may be temporary sites, mobile operators or areas with poor fixed line infrastructure. The GPRS technology enables us to attract new customers and reinforce our relationship with our current clients," said Martin Brennand, head of sales & business development at 123 Send.

"We are enthused that 123 Send chose Axalto as a key partner for their deployment. It confirms that the MagIC X1000 GPRS product is perfectly in line with our strategy to provide superior solutions to the fast-transaction mobile market," added Michel Léger, vice president for Axalto terminals.

123 Send offers merchants the opportunity to lease a terminal on a short-term basis - as little as a few days – for use at an exhibition or to rent for a number of years with a complete managed service offering including fixed air traffic packages. This solution is also ideal for any company that does not want to be restricted to taking payment from a fixed location.

MagIC is trademark of Axalto

About Axalto

Axalto (Euronext: NL0000400653 AXL) is the world's leading provider of microprocessor cards (Gartner 2005, Fost & Sullivan 2004) — the key to digital networks — and a major supplier of point-of-sale terminals. Its 4500 employees come from over 60 nationalities and serve customers in more than 100 countries, with worldwide sales exceeding 3 billion smart cards to date. The company has 25 years' experience in smart card innovation and leads its industry in security technology and open systems.

Axalto continuously creates new generations of products for use in a variety of applications in the telecommunications, finance, retail, transport, entertainment, healthcare, personal identification, information technology and public sector markets. Microprocessor cards provide convenience, security and privacy to public and private services operators, their customers and end users.

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