



## **The Russian Federation Selects Axalto For Pilot Program Of Its New Electronic Passport**

**Axalto receives a first order from Russian national printing agency, Goznak**

**Amsterdam, the Netherlands, September 30, 2005** – Axalto, (Euronext NL0000400653 AXL), the world's leader in microprocessor cards, today announced it has been selected by Goznak - the national printing agency of the Russian Federation and the largest passport producer in the world - to participate in the pilot phase of the national electronic passport program.

The government of the Russian Federation plans to first deliver electronic passports to its citizens traveling abroad. There are approximately 10 million international passports in circulation in Russia, delivered to international travelers. In addition the Russian government intends, in a second phase, to replace the current domestic passport by an electronic passport that will be delivered to all Russian citizens. In the Russian Federation, the domestic passport is used as the citizens' identity document. There are an estimated 150 million domestic passports in circulation in Russia.

Of the companies having submitted offers in the initial phase of the tender, Goznak had pre-selected five Russian and non-Russian companies. After laboratory and security tests on samples presented by the competitors, Goznak selected two companies to receive orders to ensure the trial production. Axalto is the only non-Russian company selected. Initial quantities of international electronic passports will be produced and delivered before the end of 2005.

The solution proposed by Axalto is based on the company's proven electronic passport technology, whose security, reliability and performance is already widely recognized by governmental agencies all over the world. The Axalto solution is fully interoperable with the major electronic passport systems currently under project in the world, and can be delivered in record time according to requirements.

"We are very honored to participate in one of the world's most ambitious electronic identity program, and consider the Russian Federation's adoption of state-of-the-art electronic identity technology as a very strong signal of the digital trend in the public sector" commented Olivier Piou, Chief Executive Officer of Axalto. "I am glad to see the Russian citizens being amongst the first in the world to benefit from the convenience and security of the smart passport. The large size and population of the Russian Federation makes the program particularly challenging, and Axalto is fully committed to Goznak's success."

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## **About Axalto**

Axalto (AXAL.PA - Euronext: NL0000400653 - AXL) is the world's leading provider (Gartner 2005, Frost & Sullivan 2004) of microprocessor cards - the key to digital networks - and a major supplier of point-of-sale terminals. Its 4,500 employees, from over 60 nationalities, serve customers in more than 100 countries, with worldwide sales reaching over 3 billion smart cards to date. With a 25-year experience in smart card innovation, the company leads its industry in security technology and open systems.

Axalto 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. For more information, please visit [www.axalto.com](http://www.axalto.com)

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