PRESS RELEASE

SMARTRAC expands leading position: production of RFID components in February 2007 exceeds eleven million units

- SMARTRAC achieves record output of high frequency RFID inlays
- RFID market gains momentum: SMARTRAC has biggest production capacity worldwide
- Manfred Rietzler: “We will surpass the twelve-million mark with high-frequency inlays in March.”

Amsterdam, March 6, 2007 – In February 2007, for the first time SMARTRAC produced more than eleven million RFID inlays for contactless data transmission in the high-frequency range in a single month. “In the shortest month of the year we set a new record,” said Manfred Rietzler, CEO of SMARTRAC. “We will continue this growth and surpass the twelve-million mark in the production of high-frequency inlays in March.”

SMARTRAC’s RFID inlays comprise an antenna and a microchip which are embedded in a carrier material with the use of wire-embedding technology. These inlays fulfil the highest customer requirements regarding safety and quality. High-frequency inlays operate at a frequency of 13.56 megahertz and allow the transmission of data over a distance of up to a few centimetres between the integrated microchip and a reader. The inlays are used for applications in the high security segment such as ePassports and contactless credit cards (ePayment). SMARTRAC also supplies high-frequency inlays in the standard segment for applications in public transportation and access control with the capability of contactless data transfer to a reader.

In addition to high-frequency inlays, SMARTRAC also produces RFID components in the low-frequency range, mainly for applications in logistics. Altogether, the technical production capacity of SMARTRAC thus adds up to more than 15 million units a month.

“The RFID market is gaining momentum, and demand is rising for security applications in ePassports and ePayment as well as in public transportation, access control and logistics,” said Manfred Rietzler. “We have more production capacity than any of our competitors, and our production is organised so that we can react quickly to increases in demand. As supplier of high-quality RFID components, we are therefore well positioned across all market segments.”

About SMARTRAC N.V.
SMARTRAC is the world’s leading supplier of RFID (radio frequency identification) components in the standard and high-security product segments. For the standard segment, SMARTRAC manufactures intermediate products for RFID applications in public transport, access control and logistics. In the high-security segment, SMARTRAC is the global market leader and supplies high-value RFID inlays for passports with integrated contactless chips (ePassports) and for contactless credit cards (ePayment). SMARTRAC was founded in 2000, and since its initial public offering in July 2006 has been a stock corporation under Dutch law and headquartered in Amsterdam. At the end of 2006, the company employed a total workforce of approximately 1,800 people. SMARTRAC’s main production and R&D facilities are located in Bangkok (Thailand), and it has sales offices in Stuttgart and Singapore. The company has exclusive access to
patented machinery through an agreement with Xytec Solutions (of Kulim, Malaysia), in which SMARTRAC holds a 30 percent stake. SMARTRAC has a broad technology base. Its core competence is wire-embedding technology for the production of high-value RFID inlays; SMARTRAC holds major patents taken out on wire-embedding technology and has exclusive rights of use in many areas. It also has access to the etching production processes of Multitape GmbH, in which SMARTRAC holds a 25 percent equity interest.

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