PRESS RELEASE

SMARTRAC Surpasses Monthly Production and Shipment of 1 Million High Security e-Passport Inlays in the U.S.

Amsterdam, August 10, 2010 – SMARTRAC N.V., the leading developer, manufacturer and supplier of RFID transponders, announced today that production and shipment of high security e-Passport inlays in the company’s certified high security production facility in Chanhassen, Minnesota, surpassed the milestone of 1 million units in a single month in July 2010.

“The increase of production and shipment volumes in our U.S. facility develops as planned”, says Dr. Christian Fischer, CEO of SMARTRAC. “The favorable development in the production of high security e-Passport inlays and a strong growth in the North-American RFID market show that our strategy is working.”

Increase of production capacity in Minnesota was ramped up progressively. In December 2009, production of RFID components from SMARTRAC’s production location in the U.S. reached 500,000 highly secure e-Passport inlays in one single month for the first time. Since then, the company has continuously expanded production capacity and workforce at the local subsidiary while at the same time ensuring that the highest security and quality standards are met.

The facility in the U.S. is part of SMARTRAC’s global network of certified high security production facilities in Asia, Europe and the U.S. which comply with different security standards, among them a site certificate supporting EAL5+ assurance level. SMARTRAC is today the technology partner of choice for governments in more than 35 countries worldwide.

About SMARTRAC N.V.
SMARTRAC is a leading developer, manufacturer, and supplier of RFID components for a broad bandwidth of applications in all current frequency standards. The company produces ready-made as well as customized transponders for public transport, access control, RFID-based car immobilizers, animal identification, libraries, industry, and logistics.

SMARTRAC is the global market leader in high-quality RFID inlays for electronic passports (e-Passports) and contactless credit cards (e-Payment) as well as for RFID transponders for public transport applications. SMARTRAC was founded in 2000, went public in July 2006, and trades as a stock corporation under Dutch law with its registered headquarters in Amsterdam. Since December 2008, SMARTRAC has been a member of the TecDAX, Germany’s leading share index for companies in the technology sector. The company currently employs some 3,300 employees and maintains a global research and development, production, and sales network.

If you have any questions, please contact:

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Forward-looking statements
To the extent that this press release contains forward-looking statements, such statements are based on assumptions, planning, and forecasts at the time of publication of this press release. Forward-looking statements always involve uncertainties. Business and economic risks and developments, the conduct of competitors, political decisions, and other factors may cause the actual results to be materially different from the assumptions, planning, and forecasts at the time of publication of this press release. Therefore, SMARTRAC N.V. does not assume any responsibility relating to forward-looking statements contained in this press release. Furthermore, SMARTRAC N.V. does not assume any obligation to update the forward-looking statements contained in this press release.