PRESS RELEASE

SMARTRAC obtains MasterCard CQM Certification for its Kulim factory

Amsterdam, January 27, 2011 – SMARTRAC N.V., a leading developer, manufacturer and supplier of RFID transponders, today announced that it has obtained Card Quality Management (CQM) Certification from MasterCard for its factory in Kulim, Malaysia. The CQM Label has been granted to SMARTRAC’s high frequency card inlays following an on-site audit.

SMARTRAC has started setting up card inlay production in its Malaysian production facility in fall 2010. The expansion is part of an investment program targeted at enlarging the company’s worldwide production capacity.

The MasterCard CQM Label for the factory in Kulim is an important accomplishment and complements the existing MasterCard CQM Label for high frequency card inlays, Durable Dual Interface (DDI) inlays and module packaging process in the company’s production facility in Ayutthaya, Thailand.

“Thanks to the excellent performance of the teams in Thailand and Malaysia, we were able to conduct the ramp-up as scheduled and completed CQM certification in a comparably short period of time,” said Wolfgang Schneider, Member of the Group Executive Team and Head of Business Unit Cards at SMARTRAC. “The certification is once again proof of our competence and commitment to highest quality and security.”

CQM is a quality program ensuring high quality standards throughout the entire production process of MasterCard-branded products. With the recently awarded CQM certification, SMARTRAC’s production processes have formally been verified to pursue the strict MasterCard quality requirements for the manufacturing facility, process management, testing, evaluation, and auditing.

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. 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.