

PRESS RELEASE

SMARTRAC delivers first volumes of inlays for active cards

Amsterdam, July 22, 2008 – SMARTRAC N.V., a leading manufacturer and supplier of RFID components, received the first volume order for its highly secure inlays for active cards.

Inlays for active cards are a new product line in SMARTRAC's High Security segment. RFID-inlays for active cards differ from conventional RFID-card inlays in terms of their components and functionality. Including a battery, switch, display and microchip, these cards are able to generate one-time-passwords (OTP) that increase the security of ePayment processes significantly. As the generated password is only valid for one transaction, it helps prevent bank customers from data abuse - especially in situations where the card is not used physically for the payment process. In addition, customers benefit from an increased user convenience as the card format is much more comfortable than the usual bulky security tokens.

“Our research and development department time and again sets new standards in the RFID industry. In addition, we are able to quickly respond to new trends and provide customers with appropriate products”, says Manfred Rietzler, Chief Technology Officer (CTO) of SMARTRAC. “Future application fields of this active card technology are, for example, cards that combine payment and security functionality on one device. With our modular design system we are able to fulfill different kinds of customer requirements and application fields”.

The new card inlays rely on the company's advanced, proprietary wire-embedding technology that has proven to be best suited for high-profile applications such as ePayment. Moreover, SMARTRAC has developed a specific lamination technology that is able to securely embed all electronic components in the inlay.

About SMARTRAC N.V.

SMARTRAC is a leading supplier of RFID (Radio Frequency Identification) components for Standard and High Security product segments. In the Standard segment, the company produces ready-made components for RFID applications in public transport, access control, and logistics. In the High Security segment, SMARTRAC is the global leader in high-quality RFID inlays for passports with integrated, contactless chips (ePassports) and contactless credit cards (ePayment). SMARTRAC was founded in 2000 and since going public in July 2006 has been trading as a stock corporation under Dutch law with its registered headquarters in Amsterdam. The company currently employs some 2.600 employees around the globe.



If you have any questions, please contact:

Tanja Möhler
Manager Corporate Communications
SMARTRAC Technology Group

Phone: +49 711-656 926-175

E-mail: tanja.moehler@smartrac-group.com

Internet: www.smartrac-group.com

Forward-looking statements

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