



PRESS RELEASE

SMARTRAC to become majority owner of Neology Inc.

Amsterdam and San Diego, California, December 8, 2011 – SMARTRAC N.V., a leading developer, manufacturer, and supplier of RFID transponders, announced that the company today signed an agreement regarding the acquisition of Neology, Inc.. Under the terms of the agreement, SMARTRAC will acquire Neology for US \$ 30.0 million, on a cash and debt free basis. In addition, the parties have agreed on an earn-out component of up to US \$ 9.0 million based on results of operations for the years 2011 and 2012. Tenedora de Empresas S.A. de C.V. (Tenedora), the current majority shareholder in Neology, Inc., will retain a 15 percent stake in Neology and has agreed to re-invest any earn-out payments it may receive into the combined company. The acquisition is subject to customary closing conditions and is expected to close by the end of the year.

Neology, Inc., a Delaware Corporation, is a leader in secure customized high-value RFID transponders and solutions. The company is headquartered in San Diego, California, with offices in Mexico City and employs more than 150 people.

With the acquisition of Neology, SMARTRAC expects to benefit from the access to the attractive and growing electronic vehicle registration and electronic toll collection market in the Americas. The long-term expertise of Neology in the ultra-high frequency (UHF) RFID business and the comprehensive intellectual property (IP) are anticipated to contribute to strengthening SMARTRAC's technology base.

"With this transaction, we will significantly expand our reach in the Americas," said Dr. Christian Fischer, CEO of SMARTRAC. "Combining our strong capabilities with the most successful technology platform for electronic vehicle registration and electronic toll collection will create a wealth of market-leading solutions for Neology and SMARTRAC customers."

SMARTRAC maintains production facilities in Chanhassen, Minnesota, USA, and Manaus, Brazil. Both SMARTRAC and Neology will benefit from synergies across product portfolios and markets. Under the new ownership, Neology and the totality of its 150 employees will continue its business activities in San Diego and Mexico City. SMARTRAC said that Neology's product roadmap, intellectual property strategy and research & development organization will remain intact, with the opportunity to create additional value for customers of both organizations by the use of cross-collaboration.

"The transaction opens excellent new possibilities for both companies. Combining our strong intellectual property and UHF competency with SMARTRAC's market leading position in the RFID industry will drive a new wave of innovation for customers around the world," said Francisco Martínez De Velasco, CEO of Neology Inc.

About Neology:

As an early player in UHF technology and a holder of some of the most important Intellectual Property in the industry, Neology is the leading provider of integrated solutions for the tolling, electronic vehicle registration (EVR) and public safety markets. Neology is the exclusive provider for the Mexico Repuve program, an ambitious program to tag every vehicle in Mexico with an



RFID tag to enhance security and combat fraud. For more information visit www.neology-rfid.com

About SMARTRAC:

SMARTRAC is a leading developer, manufacturer, and supplier of RFID components for a broad range of applications in all current frequency standards. The company produces both ready-made and 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 transportation 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. For more information visit www.smartrac-group.com

If you have any questions, please contact:

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Forward-looking statements

To the extent that this ad hoc release contains forward-looking statements, such statements are based on assumptions, planning, and forecasts at the time of publication of this ad hoc 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 ad hoc release. Therefore, SMARTRAC N.V. does not assume any responsibility relating to forward-looking statements contained in this ad hoc release. Furthermore, SMARTRAC N.V. does not assume any obligation to update the forward-looking statements contained in this ad hoc release.