

VeriFone and Gemalto Forge Strategic Partnership

Companies will jointly pursue opportunities to accelerate EMV payment adoption;

Exclusive discussions for VeriFone to acquire Gemalto POS solutions business;

Gemalto to be VeriFone's preferred M2M wireless module supplier

San Jose, CA / Amsterdam, October 20, 2010 - VeriFone Systems, Inc. (NYSE: PAY) and Gemalto (Euronext NL0000400653 - GTO) today announced a comprehensive strategic partnership:

- The two companies will jointly pursue new chip card solutions based on the global EMV payment standard, particularly as U.S. retailers and card networks increasingly acknowledge chip card and contactless technologies as a core component of a comprehensive security infrastructure.
- The two companies are also in exclusive discussions for VeriFone to acquire Gemalto's point of sale (POS) solutions business,
- Gemalto to be the preferred supplier of Machine-to-Machine (M2M) wireless modules and related solutions for VeriFone payment systems.

Gemalto and VeriFone believe customers of Gemalto's POS solutions will benefit from access to VeriFone's full payment solutions product line. Based in France, the POS solutions business would also serve as an ideal launching pad for VeriFone's planned European expansion campaign.

With Cinterion Wireless Modules, Gemalto is also the leading provider of industrial M2M wireless communication modules and solutions. M2M enables the remote connectivity and administration that is crucial in deploying over-the-air activation, software updates and post-issuance services to wireless POS solutions already in the field. With the preferred supplier relationship for Gemalto M2M technology, VeriFone will continue to benefit from the quality of Cinterion wireless modules and will be able to take advantage of the latest Gemalto developments in M2M packaged solutions.

Commenting on the engagement, VeriFone CEO Douglas G. Bergeron said: *“This unique partnership between world leaders assists both companies in focusing on key strategic areas while relying on a trusted partner to provide complementary solutions. We look forward to developing with Gemalto innovative EMV solutions, in particular for the U.S. market. Gemalto is the world leader in providing card-based EMV solutions to bank issuers and VeriFone is the world leader in providing EMV technology to retailers and acquirers.”*

Gemalto CEO Olivier Piou added: *“VeriFone’s global leadership in retail payment solutions will provide our customers with assurance of the deepest, broadest investment and competencies in this area. In addition to partnering on EMV related growth prospects, in particular in the US, we look forward to being the supplier of core wireless components for the most reliable technology provider in the rapidly expanding wireless POS and mobile payment solutions domain.”*

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About Gemalto

Gemalto (Euronext NL 0000400653 GTO) is the world leader in digital security with 2009 annual revenues of €1.65 billion, and over 10,000 employees operating out of 75 offices, with research and service centers in 41 countries.

Gemalto is at the heart of our evolving digital society. The freedom to communicate, travel, shop, bank, entertain, and work—anytime, anywhere—has become an integral part of what people want and expect, in ways that are convenient, enjoyable and secure.

Gemalto delivers on the growing demands of billions of people worldwide for mobile connectivity, identity and data protection, credit card safety, health and transportation services, e-government and national security. We do this by supplying to governments, wireless operators, banks and enterprises a wide range of secure personal devices, such as subscriber identification modules (SIM), Universal Integrated Circuit Cards (UICC) in mobile phones, smart banking cards, smart card access badges, electronic passports, and USB tokens for online identity protection. Moreover Gemalto delivers on emerging applications related to the ‘Internet of things’ by supplying wireless modules and machine identification modules (MIM) for machine-to-machine communication. To complete these solutions we also provide software, systems and services to help our customers achieve their goals.

As the use of Gemalto’s software and secure devices increases with the number of people interacting in the digital and wireless world, the company is poised to thrive over the coming years.

For more information please visit www.gemalto.com.

A graphic for a press release. It features the word "pressrelease" in a lowercase, sans-serif font. The text is centered within a large, light orange circle. To the right of the circle, there is a smaller, four-pointed starburst graphic in the same color.

pressrelease

About VeriFone Systems, Inc. (www.verifone.com)

VeriFone Systems, Inc. (“VeriFone”) (NYSE: PAY) is the global leader in secure electronic payment solutions. VeriFone provides expertise, solutions and services that add value to the point of sale with merchant-operated, consumer-facing and self-service payment systems for the financial, retail, hospitality, petroleum, government and healthcare vertical markets. VeriFone solutions are designed to meet the needs of merchants, processors and acquirers in developed and emerging economies worldwide.