INSIDE Secure acquires Metaforic, gaining access to key technologies for enabling cloud-based mobile payments security with Host Card Emulation (HCE)

- **Uniquely positions INSIDE Secure as the only company able to provide the full range of security solutions for the three key market drivers for mobile security: enterprise secure access, digital entertainment and financial services.**

- **Offers cross-selling opportunities with INSIDE Secure's existing, complementary portfolio of software technologies and solutions.**

- **Strategic transaction reinforces the Group's comprehensive solution offering for mobile secure systems, both on the secure element and the application processor of smartphones.**

- **Transaction consideration of US$11.6 million at closing with a potential earn-out of up to US$4.5 million, paid in cash.**

Aix-en-Provence, France, April 7, 2014, 2014 – INSIDE Secure (NYSE Euronext: INSD), a leader in embedded security solutions for mobile and connected devices, today announced that it has acquired Metaforic, a leader in the development of software obfuscation[1] technologies and encryption-related security software for a variety of industries, including the mobile payment and mobile banking markets. Such Metaforic's technologies are critical to securing Host Card Emulation (HCE)-based mobile payments, mobile wallets and mobile banking applications. A venture capital-backed company, Metaforic has headquarters in Scotland and operations in Silicon Valley (California).

The Supervisory Board of INSIDE Secure has unanimously approved this transaction.

By leveraging INSIDE Secure's strong security capabilities, the combined comprehensive solution will lead to additional sales, and reinforce INSIDE Secure's position as a key player in the fast-growing mobile security solutions market, as Metaforic:

- Complements existing INSIDE Secure enterprise secure access (Virtual-Private-Network or VPN products) and content protection (Digital Right Management or DRM products) solutions by adding mobile payments and uniquely positions INSIDE Secure as the only company able to provide security solutions for enterprise secure access, digital entertainment and financial services markets, the three key market drivers for mobile security;

- Extends INSIDE Secure's lead in providing the most comprehensive system solution offering (hardware, software and IP) in the security industry from secure software solutions to alternative secure element-based hardware and IP. Such solutions are designed to target smartphones and other mobile device markets and to overcome upcoming architectural and certification discontinuities in mobile security;

- Brings an extensive, high quality security intellectual property and technology portfolio, in line with INSIDE Secure's long-term strategy to expand its own IP licensing revenue;

- Complements INSIDE Secure's know-how with a talented team of highly qualified employees located in the UK and the US;

- Expands INSIDE Secure's customer base in the mobile and payment industries.

At closing, INSIDE Secure paid US$11.6 million in cash in consideration for the shares, and could pay in 2015 an additional amount of up to US$4.5 million subject to completion of certain 2014 business milestones.

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[1] Obfuscation technology in particular is used to enhance applications security by intentionally making software more difficult to understand and to reverse-engineer

Commenting on this announcement, Rémy de Tonnac, Chief Executive Officer of INSIDE Secure, said:, stated: "*Metaforic acquisition is superbly aligned with INSIDE Secure's strategy. Metaforic brings critical technologies to address HCE-based, cloud-based mobile payment solutions which will become mainstream following support announced by major payment brands. It will uniquely position INSIDE Secure as the only company able to provide security solutions for enterprise secure access, digital entertainment and financial services markets, the three key market drivers for mobile security.*"

Andrew McLennan, Chief Executive Officer of Metaforic, stated: "*We are delighted to join INSIDE Secure and bring our key software obfuscation and encryption-related security software, in order to accelerate our jointly held vision to secure all aspects of mobile life. The tight integration of Metaforic's technology within INSIDE Secure's offering will bring to the market the world's most comprehensive, mobile security system solution.*"

About Metaforic's software products

Metaforic's range of award-winning software products provide the highest level of protection for core payment functions and secure data exchange, whilst running entirely in software. These solutions protect data-at-rest, data-in-transit or data-in-use, bringing complete communications privacy, encryption key protection and data security to critical applications, and addressing growing security needs from major blue chip companies.

The acquisition of Metaforic follows a two year partnership between the two companies with INSIDE Secure having licensed Metaforic's technology for its content protection (DRM) solutions. Metaforic will be integrated within INSIDE Secure's Mobile Security division.

About Host Card Emulation

Introduced on Android 4.4 (KitKat) and recently supported by major payment brands, Host Card Emulation (HCE) allows for contactless payments (and other services including loyalty programs, building access and transit passes) to be made directly between consumers' banks mobile application and retailers point-of-sale using NFC technology. It allows sensitive data used to facilitate transactions to be stored on, and accessed from, cloud servers rather than a mobile device and without the use of a secure element or a SIM card.

Conference call details

Rémy de Tonnac, Chief Executive Officer of INSIDE Secure, jointly with Richard Vacher Detournière, General Manager and Chief Financial Officer, will comment on the acquisition of Metaforic and will be available to answer questions during a conference call to be held on April 7, 2014 at 3pm CET / 2pm GMT / 9am EST. The call will be held in English. To participate to the conference call, you may call the following numbers prior to the scheduled start time: +33 (0)1 70 77 09 36 (France) or +44 (0) 203 367 94 53 (United Kingdom) or + (1) 855 402 77 64 (USA). A replay of the conference call will also be available approximately two hours following the conference call and for 90 days on the Group's website. This press release and other presentation materials will be available on INSIDE Secure's website: www.insidesecure.com

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About INSIDE Secure

INSIDE Secure (NYSE Euronext Paris FR0010291245 – INSD) provides comprehensive embedded security solutions. World-leading companies rely on INSIDE Secure's mobile security and secure transaction offerings to protect critical assets including connected devices, content, services, identity and transactions. Unmatched security expertise combined with a comprehensive range of IP, semiconductors, software and associated services gives INSIDE Secure customers a single source for advanced solutions and superior investment protection. For more information, visit www.insidesecure.com.

Forward-looking statements

This press release contains certain forward-looking statements concerning the INSIDE Secure group. Although INSIDE Secure believes its expectations to be based on reasonable assumptions, they do not constitute guarantees of future performance. The Group's actual results may accordingly differ materially from those anticipated in these forward-looking statements owing to a number of risks and uncertainties. For a more detailed description of these risks and uncertainties, please refer to the "Risk Factors" section of the annual financial report of April 24, 2013, available at www.insidesecure.com.