



Press Release

NagraID Security and MasterCard deploy world's first display credit card

Going into Phase 2

Cheseaux, Switzerland, December 6, 2010 — NagraID Security, a subsidiary of the Kudelski Group (SIX:KUD.S), is pleased to announce the success of the pilot initiated early October 2010 with MasterCard and Bank Sinopac. This important project is now going into Phase 2 with the deployment of more NagraID Security display cards.

NagraID has been selected by MasterCard Worldwide as the technology provider to launch the world's first MasterCard display credit card in conjunction with Bank SinoPac.

NagraID Security is the only display card manufacturer qualified to the strict MasterCard quality criteria. It will keep developing and bring innovative products that enhance security for online payments and transactions.

Asian development planned

Bank SinoPac is the first issuer to bring the MasterCard "SinoPac Display Card" to consumers in Taiwan. With the rise in e-commerce transactions and increased demand for payment security, the innovative features of the new display card can meet the needs of consumers in Taiwan. MasterCard "SinoPac Display Card" cardholders can take advantage of a wide range of mobile financial services such as online transactions using 3D authentication security and non-predesignated account transfers.

Following the successful deployment of the Maestro and MasterCard DEBIT Display Card in Europe, the Sinopac project represents the first launch of MasterCard Credit Cards with display screen incorporating 3D functionality for online payments. NagraID Security will reinforce its presence in the rapidly growing Asian markets.

The display card is the first interactive Credit Card on the market. The one-time password (OTP) security technology with two-factor authentication is the state of the art in security maintenance. A cardholder can lightly tap a button on the credit card, and a six-digit screen will display the one-time dynamic password. The cardholder can use the dynamic password to enjoy a wide range of mobile financial services such as online transactions using 3D authentication security and non-predesignated account transfers. The innovative technology in the card also provides greater security and convenience for the cardholder and eliminates the need to wait for a text message while doing a non-predesignated account transfer.

Yunsok Chang, group executive, Global Products and Solutions, Asia/Pacific, Middle East, and Africa, MasterCard Worldwide said, "The new display card is a milestone for MasterCard as we innovate and work towards marrying technology and functionality in payments. The MasterCard "SinoPac Display Card" in Taiwan is the first such program in

the world on a credit card for MasterCard, and an extension of our success in Europe in June when we launched the first display card for Maestro.”

Desmond Jiang, President & Chief Executive of Channel Marketing, Bank SinoPac said, "Bank SinoPac is honored to be the first bank in the world to adopt this innovative technology with a display card in the credit card sector. We believe that this initiative will lead consumers in Taiwan towards more advanced and user-friendly payment solutions including mobile. Bank SinoPac will continue to strengthen its capabilities by developing more products that integrate technology with financial management, providing consumers in Taiwan newer, better and safer payment methods."

Earlier this year, NagraID Security's family of display debit and credit cards received MasterCard's CSI (Card Structure & Integrity) certification thus demonstrating the required levels of durability, safety and compliance to ISO standards for the launch of banking cards. NagraID is the only manufacturer in the world authorized to produce MasterCard's Display Cards.

For more information, please also refer to **MasterCard's press release**. (http://www.mastercard.com/us/company/en/newsroom/pr_world_first_mc_display_credit_card_unveiled.html)

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About MasterCard Worldwide

MasterCard Worldwide advances global commerce by providing a critical economic link among financial institutions, businesses, cardholders and merchants worldwide. As a franchisor, processor and advisor, MasterCard develops and markets payment solutions, processes over 22 billion transactions each year, and provides industry-leading analysis and consulting services to financial-institution customers and merchants. Powered by the MasterCard Worldwide Network and through its family of brands, including MasterCard®, Maestro® and Cirrus®, MasterCard serves consumers and businesses in more than 210 countries and territories. For more information, please visit us at www.mastercard.com. Follow us on Twitter: @mastercardnews.

About NagraID Security

Nagra ID Security SA, a subsidiary of the Kudelski Group, produces multi-component and other complex cards for the security and identification industry. NagraID Security's Research and Development Team combine international experts having broad experience in security, cryptography, electronics, material sciences and manufacturing. NagraID Security provides advanced design, development, and industrialization capabilities for innovative authentication solutions.

NagraID Security holds international patents for a non-violent lamination process used for embedding sensitive, electronic components into card and other form-factors. NagraID Security operates under the strict security guidelines of NagraID SA, an EMV-certified card manufacturing and personalization facility. Please visit www.nidsecurity.com for more information.

About The Kudelski Group

The Kudelski Group (SIX: KUD.VX) is a world leader in digital security and convergent media solutions for the delivery of digital and interactive content. Its technologies are used in a wide range of services and applications requiring access control and rights management to secure the revenue of content owners and service providers for digital television and interactive applications across broadcast, broadband and mobile delivery networks. The Kudelski Group is also a world technology leader in the area of access control and management of people or vehicles to sites and events. It additionally offers professional recorders and high-end Hi-Fi products. The Kudelski Group is headquartered in Cheseaux-sur-Lausanne, Switzerland. Please visit www.nagra.com for more information.

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