MASTERCARD and NagraID Security open "a new era in card payments" with the Information Display Cards

NagraID Security demonstrates its 5th generation Display Card family at Cartes 2010

- *NagraID Security's MasterCard® Information Display Cards heralds a new era in card payments by enabling unprecedented levels of interactivity between issuers and cardholders.*

- *NagraID Security developed the first smartcard in the world that connects the EMV payment chip to an embedded LCD display*

Cheseaux, Switzerland – December 7, 2010 – NagraID Security, a Kudelski Group (SIX:KUD.S) company, is demonstrating its 5th generation display card, the NagraID Security MasterCard® Information Display Card at Cartes 2010 in Paris. This is the first smartcard that connects the EMV payment contact chip to an embedded LCD display that enables information stored on the card to be updated every time the card goes online. With this new revolutionary payment card, for the first time cardholders can access up-to-date vital account and payment-related information such as account balance, transactions history, reward points, payment due dates and more, precisely when they need it, anywhere, anytime using only their trusted and familiar payment card.

"The NagraID Security MasterCard® Information Card is the most advanced payment display card. It can be considered as the Swiss army knife of payment cards," said Cyril Lalo, CEO of NagraID Security. "This card is the result of experience gained over the last five years since we launched the first display cards in the world as well as increasing demand from customers who want access to minute information about their accounts at their fingertips."

The new Information Display Card enables unprecedented level of interactivity between issuers and cardholders, opening a new world of possibilities that goes far beyond the traditional payment and One-Time-Password (OTP) functionalities. Every time the card is used in an ATM or standard POS terminal, the transaction authorization request is routed to the issuer via the MasterCard network and replies back with a MasterCard EMV script as part of the authorization response message. The script is then executed by the terminal, which uploads the relevant information to the payment card. The beauty of this technology is that it very easy to deploy and leverages the standard EMV investment by using the existing payment infrastructure and equipment. Context-specific alerts and marketing messages can now be delivered to cardholders very cost-effectively and easily while providing an enriched customer experience.

Philippe Guillaud, Executive Vice President and CTO at NagraID Security, added: "This display card represents a new milestone in Display Card technology by connecting the EMV Chip to the embedded electronics. Currently the cards are developed using an EMV chip issued by GEMALTO, one of our key partners in implementation. We created

a very versatile platform that can also accept virtually any EMV chips from the various providers of secure semiconductors."

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. To date, NagraID Security is the only manufacturer in the world authorized to produce MasterCard's display cards. NagraID security is dedicated to innovation and be the first to market breakthrough card technologies.

Editorial Notes

How it works
The NagraID Security MasterCard® Information Display Card is available in two versions. Single button and multiple buttons touch keypad.

1. The cardholder displays required information:
   - By simply pressing the button on single button Display Cards (optionally, multiple-function buttons and scrolling displays may be used to select more than one information item or message).
   - By using the on-card keyboard to select what information to be displayed on multiple-button Display Cards, and, optionally, for extra security, information on multiple button cards can be protected by a PIN.

2. Standard EMV chip technology is used to update the information every time the card is authorized online.
   a. The payment authorization request is sent to the acquirer by the POS terminal and routed to the issuer via the MasterCard network.
   b. The issuer authorization system requests and receives the relevant information from the bank account host.
   c. It then provides the information to and requests/receives a script from the Scripting Engine.
   d. The script is sent back as part of the authorization response message.
   e. The script is then read by the terminal, which uploads the information to the payment card.
3. Similar arrangements can be used to display information such as merchant loyalty points from third parties.

NagraID historical roadmap
2005: After many years of R&D and investment, NagraID Security commercialized the 1st OTP display card in the world.
2006: NagraID Security developed the 1st Keypad Alpha-numeric display Card.
2008: Introduced the 3rd generation display card that replaced limited bi-stable LCD display (slow refresh rates) by High contrast, Ultra-Fast LCD display that allows high speed display of characters and scrolling information
2009 - NagraID Security introduced the 4th Generation Display card that embeds an EAL5+ secure interface, allows contactless seeding and loading of custom applications.
2010 - NagraID Security introduced the 1st TOUCH keypad display card which provides ease of use and eliminates the need for a separate card reader for challenge/response applications.

NagraID Security is the leader in display card manufacturing with worldwide deployments including Bank of America, Paypal, Merrill Lynch, Charles Schwab, Bank SinoPac in Taiwan, TEB and others.

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.S) 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 visite www.nagra.com for more information.

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