



KDDI Selects Axalto for Japan's First 3G CDMA Card Launch

KDDI Customers Enjoy GSM CDMA seamless roaming

Tokyo, Japan, April 10, 2006 - Axalto (Euronext: NL0000400653 - AXL) today announced that it has launched the first third generation CDMA User Identification Module (UIM) commercial card in Japan with KDDI, one of Japan's leading mobile service providers. The Axalto cards are designed to work together with KDDI's CDMA 2000 EV-DO third generation mobile handsets.

With the Axalto UIM card, KDDI offers increased transaction security, and delivers groundbreaking portability ease for Japanese mobile users. KDDI subscribers can now access both GSM and CDMA networks with just one card, and users will be able to use the same telephone number both domestically and internationally.

"Axalto is honored to be selected by an innovative operator such as KDDI," said Philippe Vrignaud, Vice President, North Asia, Axalto. "Both Axalto and KDDI share the same vision of leveraging technological leadership to deliver solutions that meet unique customer needs. We are confident that our proven skills in rapid product development, associated with high-quality offerings, will continue to bring continuous benefits to both KDDI and its customers."

This collaborative deployment also creates opportunities for additional innovative third generation applications development, in particular Public Key Infrastructure (PKI) based applications, to provide further personal, convenient and secure solutions to KDDI's mobile users.

Note to Editors

As mobile devices fast become vital communication tools globally, Axalto's UIM (User Identification Module) provides CDMA operators with an unique opportunity to develop mobile banking and m-commerce applications and services with embedded cryptographic applications and security schemes. The UIM technology will continue to expand in its significance as the growing number of consumers demand higher levels of portability and expansion of mobile services across geographical boundaries.

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About KDDI

KDDI is a diversified telecommunication operator formed by the merger of DDI, KDD and IDO in 2000, and is the only domestic company that provides both mobile communication service and broadband service. The number of subscribers to the mobile phone services under the au and TuKa brands is over 24 million. The KDDI group companies had approximately 14,000 staffs and sales in FY2005/3 was 2,920 billion yen. At KDDI, aggressive improvement of communication environment in preparation for the coming ubiquitous network society is underway and KDDI is aiming to become a "ubiquitous solution company" which provides high value-added solutions.

About Axalto

Axalto (Euronext: NL0000400653 AXL) is the world's leading provider of microprocessor cards (Gartner 2005, Frost & Sullivan 2004) - the key to digital networks - and a major supplier of point-of-sale terminals. Its 4500 employees come from over 60 nationalities and serve customers in more than 100 countries, with worldwide sales exceeding 3 billion smart cards to date. The company has 25 years' experience in smart card innovation and leads its industry in security technology and open systems.

Axalto continuously creates new generations of products for use in a variety of applications in the telecommunications, finance, retail, transport, entertainment, healthcare, personal identification, information technology and public sector markets.

Microprocessor cards provide convenience, security and privacy to public and private services operators, their customers and end users. For more info, please visit www.axalto.com

Issued on Behalf of Axalto by Bentley Porter Novelli

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