Joint news release by the partners of the "BioPass" research project (Giesecke & Devrient, Infineon Technologies, NXP Semiconductors Germany)

Completion of European Research Project "BioPass" to Enhance Chip Card Security for Future Electronic ID Documents with EU-Wide Validity

Neubiberg, Germany – August 1, 2011 – The handover of the final research report to the German Federal Ministry of Education and Research (BMBF) at the end of July marked the completion of the biggest chip card research project in the European Union. The research results of the "BioPass" project lay the technical foundations for future electronic ID documents in the EU. There are estimated to be 380 million ID cards currently in circulation in the 27 EU member states with their total population of about 500 million. The technologies developed in the BioPass project will help to replace time-consuming and costly paper correspondence between citizens and the state by electronic communication, hence reducing the administrative expenditure of states and the EU. They also contribute to raising the security level of future electronic ID cards and passports, while accelerating the data transfer between ID document and reader device and simplifying usage of electronic services for citizens.

The chip card maker Giesecke & Devrient GmbH (G&D) and chip manufacturers Infineon Technologies AG and NXP Semiconductors Germany GmbH (NXP) were three of altogether eleven companies from six EU member states who – as from February 2008 – conducted research into the development of high-security chip card technologies in the BioPass project. The German Federal Government attaches great importance to IT security and data protection, and therefore the research project received BMBF support.

The research activities encompassed the further development of the security chips and their encryption technologies through to the development of the card operating system and security software for the Internet PCs used by citizens and public authorities alike. The research partners demonstrated that the data transfer rate between electronic ID document and reader can be increased from 848 kbit/s so far to about 6.8 Mbit/s and theoretically could be further increased to up to 12 Mbit/s. The chip card operating system developed by G&D proves that the use of future electronic ID documents on the Internet is possible without the need to install additional software components on the PC. A number of European nations – Bulgaria, the Czech Republic, France, Greece, Hungary, Poland, Romania, and Switzerland – plan the introduction over the next few years of electronic ID cards that conform to international standards and can use technologies developed in the BioPass project.

The handover of the final report end of July 2011 marked the completion of the BioPass research project. The budget totaled some Euro 13 million, half of which was provided by the participating partners from business. The other half was covered by funds from the European EUREKA cluster CATRENE/MEDEA+, which are provided by the national governments. The German BMBF supported the BioPass project with about Euro 2.8 million under the "Information and Communications Technology 2020" (ICT 2020) program as part of the German Federal Government's High-Tech Strategy. One of the aims of the ICT 2020 program is to consolidate and strengthen Germany's position as a technology leader in the ICT and ICT security sector.

Further information on the BioPass project and the project partners is available at <u>www.biopass.eu</u>

About Giesecke & Devrient

Giesecke & Devrient (G&D) is a leading international technology provider headquartered in Munich, Germany. Founded in 1852, the Group now has a workforce of over 10,000 employees and generated sales of EUR 1.7 billion in fiscal 2010. 61 subsidiaries and joint ventures in 32 countries ensure customer proximity worldwide. In all its markets, G&D is a global leader and pioneering innovator in the production and processing of banknotes and banknote paper, security documents, identification systems and smartcard-based solutions. As an end-to-end provider of mobile security applications, G&D develops and sells hardware, software, and services for banks, mobile network operators, public transportation companies, business enterprises, and OEM. For more information, please visit: www.gi-de.com

About NXP Semiconductors

NXP Semiconductors N.V. (NASDAQ: NXPI) provides High Performance Mixed Signal and Standard Product solutions that leverage its leading RF, Analog, Power Management, Interface, Security and Digital Processing expertise. These innovations are used in a wide range of automotive, identification, wireless infrastructure, lighting, industrial, mobile, consumer and computing applications. For the identification market, NXP is a top global supplier of chips in eGovernment applications, such as electronic passports, ID cards, or health cards. A global semiconductor company with operations in more than 25 countries, NXP posted revenue of \$4.4 billion in 2010. Additional information can be found by visiting www.nxp.com.

About Infineon

Infineon Technologies AG, Neubiberg, Germany, offers semiconductor and system solutions addressing three central challenges to modern society: <u>energy efficiency</u>, <u>mobility</u>, and <u>security</u>. In the 2010 fiscal year (ending September 30), the company reported sales of Euro 3.295 billion with approximately 26,650¹ employees worldwide. With a global presence, Infineon operates through its subsidiaries in the U.S. from Milpitas, CA, in the Asia-Pacific region from Singapore, and in Japan from Tokyo. Infineon is listed on the Frankfurt Stock Exchange (ticker symbol: IFX) and in the USA on the over-the-counter market OTCQX International Premier (ticker symbol: IFNNY). Further information is available at <u>www.infineon.com</u>.

¹ Mentioned number of employees contains about 3,075 employees of the wireless mobile phone business (Wireless Solutions), which was sold to Intel Corporation.

This news release is available online at www.infineon.com/press

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