

Linxens acquires Smartrac's Secure ID & Transaction (SIT) Division

- *Acquisition marks a transformational step in the development of Linxens*
- *Diversifies its product range in RFID antennas and inlays*
- *The new group will generate more than €500 million in revenue and employ 3,500 people worldwide*

Paris, November, 4th 2016 - LINXENS, a global leader in the design and manufacture of micro-connectors for smart cards, has today announced that it has acquired SMARTRAC's SIT Division, a global leader in the development and manufacture of RFID inlays and antennas. Subject to regulatory clearance, the deal is expected to complete by the end of the year.

With the acquisition of SMARTRAC's SIT Division's technical expertise and vision, Linxens will solidify its position as a leading provider of contact and contactless smart card connectivity solutions across its key business segments of payments, e-government, telecoms, transportation, loyalty and access control.

The acquisition further expands Linxens' global presence with sites in China, France, Germany, Singapore, Thailand and the US. The combined group will focus their innovation skills on shared programs to accelerate new product development and is expected to generate more than €500 million in revenue, which will allow to continue to innovate and expand.

Growing Market Opportunity

Contactless solutions are becoming increasingly ubiquitous. Smartrac's "Secure ID & Transaction" (SIT) division provides RFID components for 5 key applications: government-issued documents (eIDs, ePassports, eDriving Licenses, etc.), payments, transportation, loyalty and access control.

As the focus on security intensifies, government agencies are turning to e-documents, with a growing proportion using contactless interfaces. The result is rising demand for antennas and inlays for use in e-documents. The e-Passport is now commonplace, so the focus is shifting increasingly towards e-ID Cards, and e-Driving licenses, especially in emerging economies.

Contactless solutions are also widely used in transportation, loyalty and access control, all of which continue to offer impressive growth potential: the contactless access card market is forecast to grow by more than 5% between 2015 and 2019.

With the global rollout of the EMV payment card standard well underway, focus is now shifting to the upgrading of existing EMV cards to include contactless (NFC) functionality. This migration began a few years ago in the EU and China, and is now underway in the US, Latin America and Asia Pacific. Demand for this technology from the banking market is expected to grow by 9% year-on-year for the next 5 years.

Christophe Duverne, CEO of Linxens, commented:

"We intend to leverage our portfolio of innovative products and solutions to become the go-to one-stop shop for secure smart card connectivity solutions for contact and contactless systems. We are both innovation leaders in our own fields, so combining our innovation skills will allow us to envision the future of secure smart card connectivity technologies to deliver best-in-class products to our customers."

"A local presence delivers major benefits for our customers. With a more global footprint, we can better respond to changes in market demand, and further improve our understanding of customer needs in the context of specific local market requirements."



About Linxens

Linxens is one of the key players on the world smart card connectors market, and ensures both design and manufacture.

Linxens is present in the payment, mobile phone, identity, transport and access markets. The company provides card embedders, smart card manufacturers and module manufacturers with innovative connectivity solutions.

By working closely with its customers, its unique technology portfolio and large scale production capacities, Linxens has extended its product portfolio to include antennas and specialty substrates for integrated circuits.

In addition, Linxens is developing manufacturing activity in LED light sources, thanks to its mastery of production on flexible supports.

Linxens employs more than 1,200 people around the world and has production sites and R&D centers in Europe and Asia. The company had turnover of € 320m in 2015. Linxens is mainly owned by CVC Capital Partners. For further information, visit www.linxens.com

About SMARTRAC

SMARTRAC is the world's leading developer, manufacturer and supplier of RFID products and IoT solutions, providing both ready-made and customized offerings suitable for a large number of applications. SMARTRAC makes products smart, and enables businesses to identify, authenticate, track and complement product offerings. The company's portfolio is used in a wide array of applications: access control, animal identification, automated fare collection, automotive, border control, contactless payment, electronic product identification, industry, libraries and media management, laundry, logistics, retail, public transport, and many more. For more information, visit www.SMARTRAC-group.com

Contacts

Linxens

Pierre-François PELTIER-VEILER

PierreFrancois.PeltierVeiler@linxens.com

+33(0)1 41 34 34 70 / +33 (0)6 14 83 48 99

UK Press Contact

Matthew Scorer

Context Public Relations

Matthew.scorer@contextpr.co.uk

+44 (0)1625 507209