

Gemalto preliminary first semester results and 2017 outlook revision

Amsterdam, July 21, 2017 at 8:30pm - Based on its preliminary first semester results, Gemalto (Euronext NL0000400653 - GTO) revenue for second quarter is €742 million, lower by 9% at constant exchange rates compared to the same period of 2016. For the first semester, the Company profit from operations is in line with expectations at approximately €93 million.

Looking ahead, the second quarter double digit decline for Payment in Americas and SIM business is anticipated to continue for the rest of the year. This decline will be offset by the expected revenue acceleration in Enterprise, Machine-to-Machine and Government Programs including 3M Identity Management Business, leading to a stable revenue year-on-year for the second semester.

Taking into account these revenue trends, the operating leverage of Payment and SIM businesses will not be realized as expected. The effect of the transition plan announced in April is anticipated to start contributing materially towards the end of the year. Gemalto estimates its 2017 second semester profit from operations to be between €200 million and €230 million.

As a result of the deteriorated prospects for the removable SIM market, the Company is expected to book a non-cash goodwill impairment charge of approximately €420 million in the first semester of 2017.

The Company will provide further details when it publishes its first semester results on September 1, 2017.

* All figures in this press release are unaudited.

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This press release contains inside information as referred to in article 7 paragraph 1 of Regulation (EU) 596/2014 (Market Abuse Regulation).

About Gemalto

Gemalto (Euronext NL0000400653 GTO) is the global leader in digital security, with 2016 annual revenues of €3.1 billion and customers in over 180 countries. We bring trust to an increasingly connected world.

From secure software to biometrics and encryption, our technologies and services enable businesses and governments to authenticate identities and protect data so they stay safe and enable services in personal devices, connected objects, the cloud and in between.

Gemalto's solutions are at the heart of modern life, from payment to enterprise security and the internet of things. We authenticate people, transactions and objects, encrypt data and create value for software – enabling our clients to deliver secure digital services for billions of individuals and things.

Our 15,000+ employees operate out of 112 offices, 43 personalization and data centers, and 30 research and software development centers located in 48 countries.

For more information visit
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