



The new team launches into the New Year

Friedrich Ramberger and Gerhard Starsich will be leading Austria Card into the next quarter century. After the extended and delightful celebrations for the company's 25th anniversary, we are strongly motivated as we move toward the future – in tune with our slogan, "read the future."

A fresh breeze is blowing through Austria Card in Vienna. Since November 1st, 2006, Gerhard Starsich has been in place as the second CEO at the side of Friedrich Ramberger.

A native of Vienna, Gerhard Starsich is well-known in the payment processing and plastic card industry as well as in banking. In 1991, he worked for the Austrian National Bank (OeNB) before switching over to the European Currency Institute (the predecessor of the ECB). He then became Director for Finances and Controlling for the hospital of the Sisters of Mercy Congregation (Barmherzige Schwestern). From 2002 to 2005, Gerhard

Starsich was the head of former APSS (Austrian Payment Systems Services). After APSS was taken over by First Data International, as Integration Manager, he was responsible for a smooth transition to the new company structure. After returning briefly to the Austrian National Bank, Starsich, a father of two, moved to Austria Card as second CEO starting in November 2006 and is now responsible for central controlling and service functions, quality management and the support sector.

Friedrich Ramberger will be responsible for production, sales, and the research and development department of Austria Card.

editorial

Dear Readers,

Austria Card's anniversary year is ending on a very positive note.

Our presence at the CarteS 2006 was very successful, and we received a great deal of praise and applause from friends, customers, and our competition as well. Our trade fair team is already looking forward to 2007.

We have also been successful on the sales front. We are very pleased that, after Tanzania, we will be producing the driving licenses for Sri Lanka, again with our partner, Face Technologies.

We would like to thank all our employees, customers, suppliers and friends for their collaboration during the past year, and we are looking forward to new, successful projects in 2007.

Enjoy your reading experience.

DI Friedrich Ramberger
CEO

Mag. Gerhard Starsich
CEO

CarteS 2006 – A star in the concert of the stars



The Austria Card booth at CarteS is a focus point for many visitors. Various product demos and friendly staff are always ready for expert talks.

Paris, Tuesday, November 7th, 2007, 9 a.m. The show can begin. The show is CarteS and, just like every year, Austria Card is in the midst of things and not just a bystander. Highlights are the PayPass demo and live card design.

Anyone who has followed the path that Austria Card has taken in the last few years has experienced a lot of success stories. As its success grew, so did the sales and production figures, as well as the number of employees – everything to provide customers with the very best solutions and the best support possible. Austria Card's presence at the CarteS has also grown. Four years ago, our booth was just over 30 square meters, but it grew to over 42 in the

following year, then 60, and this year to 92 square meters. Our placement at the CarteS has also continued to improve so that this year we were proud to be in the very first row and eye to eye with the big names in the industry.

Lots of traffic

The traffic we experienced during the three days of the fair was consistently heavy, partly because of our new location. Fresh logo branded apples led visitors to the brightly lit booth that was decorated with an awning. The thirsty visitors were pampered – first with news and know-how from the smart card community and then with special Austria Card mineral water, as well as coffee, tea, wine, and fresh draft beer. There wasn't a single quiet moment. Visitors crowded in front of the window with our most sophisticated sample cards.

Two highlights and a special treat

As far as technology was concerned, Austria Card offered its guests the absolute best. Three demonstrations presented the PayPass technology that is based on the ACOS dual interface card. Additionally, our graphic artist designed a card for our interested visitors, and they could take home the colored proofs – with an embedded

photograph of each person – together with a chic booklet.

On Wednesday, we served Spaghetti "Polycarbonara" and, just like every year, the booth was again bursting at the seams in 2006.

Closing day

On Thursday evening, both CarteS 2006 and Austria Card's booth closed their doors. We heard a lot of praise regarding



our presence at the trade fair from our customers, but also from the competition. Having acquired new customers and many new friends, our trade fair team traveled home. A bientôt en France. See you next year.



Sri Lanka's driving license gets smart

The Ministry of Traffic in Sri Lanka has decided to put out a new driving license in the form of a smart card. Using the newest technology, information about the driver can be stored directly on the chip.

In addition to the new card, the second smart driving licence that Austria Card has produced in 2006 for overseas, the entire personalization process for the various Ministries is being simplified and will be quicker and more convenient for Sri Lankan drivers.

Austria Card will carry out the project jointly with the biometrics specialist Face Technologies and the Metropolitan Group. "We are honored to have been entrusted with this project," says Willem van Schalkwyk, project manager at Face Technologies, "and we are convinced that we will be able to live up to the Ministry's high standards."

Information about the driver, including a digital photograph, a fingerprint, and the signature will be stored on the chip of this the state-of-the-art smart card.



Other data, such as the blood group or other medical information can also be stored on the smart card, so that a quick reaction is possible in emergencies. The card is laser-personalized and also has other high-tech security features, such as OVI (optical variable ink), a hologram and guilloches.

Describing this project, Norbert Wallner, who is responsible for the project at Austria Card, says, "We already have outstanding collaboration with Face Technologies in Tanzania, and it's fantastic that we were able to land a second project of this size in such a short time."



The new Sri Lanka drivers license is presented to local journalists.

Erik Mitterhofer new on the ICMA Board of Directors

Two new members from the plastic card industry were elected to the Board of Directors of the International Card Manufacturers Association (ICMA): Erik Mitterhofer from Austria Card and Dean Warner from Digimarc. Both were appointed by the ICMA Board of Directors for two years.

Erik Mitterhofer, who was the Chairman of the ICMA EXPO 2004 in Prague until recently, is Sales Manager for the Division Industry & Government at Austria Card, and he was very pleased at his new responsibilities: "I see it as a challenge to work for this organization that is constantly growing – and not just in my region, but all over the world."

Jeffrey Barnard, founder and Executive Director of ICMA, was also full of praise: "With his insights and his expertise, Erik

will contribute a great deal to the success of our organization. I am very pleased that he will be on our Board of Directors."

"We are very excited that ICMA has recognized our experts," says Friedrich Ramberger, CEO of Austria Card. "That is a confirmation of our constant commitment to become the best in our industry."



Erik Mitterhofer (right) a new member on the ICMA Directors Board.

THE 2007 ICMA BOARD MEMBERS ARE:

President: Herbert Grün, Giesecke & Devrient (Germany)
Vice President: Fernando Bautista, Thomas Greg & Sons Limited (Colombia)
Past President: T.K. Choi, KBC Corporation (Korea)
Members: Erik Mitterhofer, Austria Card (Austria)
 Derek Chaplin, Altech Card Solutions (South Africa)
 Eric Blank, Arthur Blank & Co. (USA)
 Frank Dörner, Digicard GmbH (Austria)
 Dean Warner, Digimarc (USA)
 Bill Knotts, Spartanic (USA)
 Bud Kronenberg, Keystone Plastics (Canada)
 Merrill Martin, VCT-NJ (USA)
 Tim Wright, Innovated Card Technologies (USA)



Highlights Q1 2007

January

17. - 19.01.2007
OmniCard 2007 in Berlin
 International exhibition and conference for smart cards, payment systems, and security.

February

12. - 15.02.2007
3GSM
World Congress Barcelona
 The largest trade fair for mobile technology opens its doors on February 12, 2007.



Many people at CarteS and many people at the booth of Austria Card. Slovak customers are well taken care of by Olga Czapova, Petra Paul and Mikhail Gordeev (upper row left); CEO Friedrich Ramberger doing small talk (upper row second form left); Spaghetti Polycarbonara at the Austria Card booth (upper row second from right); Robert Kajic and his customer Petar Lisica from Splitska Banka (upper row right). Georg Prüfert and his first customer from Bangladesh Noor A Alam Chowdhury from company Data Edge Limited and Georg Prüfert in Latvia with customers Yuriy Kurbashnov and Vija Freimane (middle row). Big party in Sri Lanka – Austria Card Sales Manager Norbert Wallner celebrates the launch of the new smart drivers license with project partners (lower row).

Impetus from the body

We can't separate our actions into "action versus reaction." Even if we think we're being proactive, something provides the impetus at a point in time prior to our action. The material is the inspiration. "I like paper. Whenever I find interesting paper, I make a series." Zornitsa Vasileva works in a very sensuous way. Her hands slide over the material, reacting to it, so that every individual picture in a block print series is created as an original. The resulting "chance situation" has "a certain order."

But the high standards of quality of the printing department of Austria Card are not a random coincidence but an organizing principle. Materials, technology, processes. The impetus is there, and its name is excellence. The "reaction": print work of outstanding quality. Including our "Edition Austria Card."

Follow the impulse to own the picture we talked about here. Write to cassandra.zwerina@austriacard.at with "Composition" in the subject line. Or fax information about the picture you want to + 43 (1) 610 65-650. The

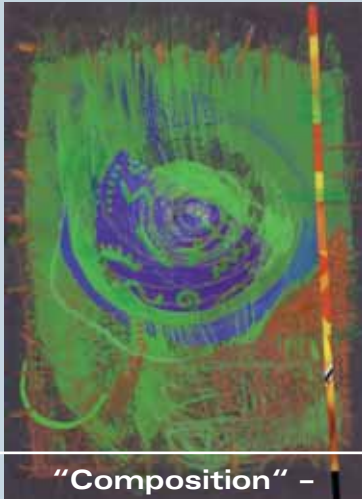


reaction will be swift and, with a bit of luck, a copy of the beautiful picture by Zornitsa Vasileva will soon be gracing your home.

Zornitsa Vasileva

Biography

- 1974** Born in Ruse, Bulgaria
- 1993** Finished Art School for Textiles, Sliven, Bulgaria
- 2000** Study of Design, Art Academy, Sofia
- 2001** Show at the V & V Gallery, Vienna, "Decorative Textiles"
- 2002** Participated in the exhibit "The helpless Europa," Ruse and Klagenfurt
- 2006** International exhibit "Ties"
- 2000 – present** Numerous art workshops, including workshops for children
- 2001 – present** Studying textiles toward teaching degree University of Applied Art, Vienna



**"Composition" –
with centripetal power**

Zornitsa Vasileva sees her pictures as "applied art." Often, they are templates for her work with textiles. Anything and everything that has to do with fashion and fabric is the domain of the effervescent young Bulgarian. Including mediating knowledge and skill. She specializes in fine arts workshops. And this is what informs the topic of her thesis that she is currently working on: "Design with pedagogical objectives."

The original picture is 24 x 20 cm and was created in 2000. For this picture, the artist used mixed media – colored pencils and tempera, combined with collage techniques. The "Composition" is an excellent representation of the idea of "organized coincidence." It has a very centered feel to it, but when you look at it more closely, you feel its eccentric quality. And the narrow, straight bar of color lies over the eye of the storm like a measuring element. A rotary motion always has a centrifugal quality to it. But we do not flee it, but instead, we allow ourselves to be pulled into Zornitsa Vasileva's "Composition":

COMPETITION

Win one of 20 Pictures!

Fax to: +43 1 610 65-650

or register under www.austriacard.at/lottery

Company

Name

Address

Telephone

E-Mail

The competition is open to all readers of this newsletter with the exception of Austria Card employees. The promoter's decision is final. By entering this competition you allow your data to be electronically saved at Austria Card. We do not pass this data onto third parties. The winner will be informed by us. Further correspondence regarding the competition cannot be entered into.