

Frost & Sullivan Award for Market Leadership



AWARD DESCRIPTION

The Frost & Sullivan Market Leadership Award is given to the company that has exhibited market share leadership through the implementation of market strategy. The recipient has displayed excellence in all areas of the Market Leadership process, including the identification of market challenges, drivers and restraints, as well as strategy development and methods of addressing these market dynamics. Furthermore, the award recipient has continually demonstrated solutions for monitoring market changes and for implementing superior market strategies. By utilizing these strategies for success, the company has established itself as the market share leader in its respective industry.

RESEARCH METHODOLOGY

To choose the recipient of this award, the analysts track competitor revenue and market share within the industry. This is achieved through interviews with all market participants and extensive secondary research of proprietary data sources. Finally, the competitors are compared and ranked for relative position. Frost & Sullivan then presents the award to the company that received the number one industry rank.

MEASUREMENT CRITERIA

In addition to the methodology described above, there are specific criteria used to ascertain final competitor ranking in this industry. The recipient has excelled by substantially increasing one or more of the following criteria:

- " Market share
- " Revenue growth rates
- " Profitability
- " Market and technology innovation

AWARD RECIPIENT:

SAGEM

SAGEM has been awarded the 2004 Frost and Sullivan Market Leadership Award in recognition of its Market Leadership in the Automated Fingerprint Identification Systems (AFIS) market. SAGEM commands a 48.8 percent market share in the global AFIS market. With over 20 years of experience in AFIS technology, SAGEM, along with its subsidiary in the United States, SAGEM Morpho, is considered as one of the most premium vendors of AFIS technology whose strength lies its technological expertise and widespread product portfolio to cater to the needs of a wide variety of customers. A global company, SAGEM can be found in over 40 countries across the globe.

SAGEM is a dynamic company, receptive to the changing market trends and customer needs. It exhibits a great degree of adaptability in sync with the market dynamics by introducing innovative products, customized to the client's requirements. The company exhibits market leadership in the following solution segments:

Criminal AFIS solution

In its contribution to the society to fight against crime, SAGEM has Metamorpho - a complete criminal AFIS for crime control. In the recently concluded Fingerprint Vendor Technology Evaluation (FpVTE) 2003 test conducted by NIST to identify the most accurate AFIS for use in the US-VISIT program, Metamorpho was ranked



second in the list of 34 systems that participated in the test. This is evidence enough of SAGEM expertise in criminal AFIS.

Civil AFIS solutions

SAGEM is the market leader in global civil AFIS. The company is one of the few AFIS companies in the world that acts as system integrator. This is made possible through its extensive expertise in three core technologies required for implementing large-scale civil AFIS solutions.

- " Biometrics Technology
- " Smart Card technology
- " Cryptography

Airport Security Solutions

SAGEM provides its fingerprint solutions in non-AFIS related applications as well such as for physical access control, network security, and for secure check-cashing applications.

SAGEM is also adept at identifying gaps in the market. Recognizing the growing demand for airport security, the company has introduced a comprehensive Airport Security system to secure the processing of passengers and crew airports. Built on their expertise in fingerprint and smart card technology, the airport security system provides extensive security cover starting from identification of travelers to physical and logical access control. The biometric passenger control systems developed by SAGEM ensures smooth moment of passengers along with ensuring airport security.

To widen its product portfolio beyond fingerprint biometric solutions, SAGEM has also forged critical alliances with other biometric technology companies. SAGEM has added iris recognition technology to its product portfolio by partnering with Iridian Technologies. SAGEM has adapted and integrated iris recognition technology from Iridian into its biometric identification product portfolio. SAGEM is providing an iris-based immigration system called Iris Recognition Immigration System (IRIS) to the United Kingdom to terminals in five major airports.

SAGEM has also entered into a strategic alliance with Cognitec Solutions to integrate the face recognition technology developed by Cognitec into its biometric systems. SAGEM is currently conducting the "SmartGate" trial in Australia to secure the processing of selected flight crews and passengers at a number of Australian airports.

The host of projects executed by SAGEM in over 40 countries in the world includes national identity card program, voters identity card programs, driving license programs, asylum card programs, and several other welfare programs.

With commendable expertise in fingerprint technology and a sharp focus on the market trends coupled with its ability to adopt to the changing market trends by introducing innovative solutions SAGEM is poised to be the dominant player in the market.