



IDEX ASA

Annual General Meeting 2010

Ralph W. Bernstein

CEO and CTO of IDEX ASA

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12 Successful months for IDEX

- Accepted for listing at Oslo Axess
- IDEX receives the Frost & Sullivan Global Swipe Sensor Product Differentiation Innovation of the Year Award
- New licensing agreements, manufacturing partnerships and evaluation agreements closed
- The groundbreaking SmartFinger® Film technology presented to the market

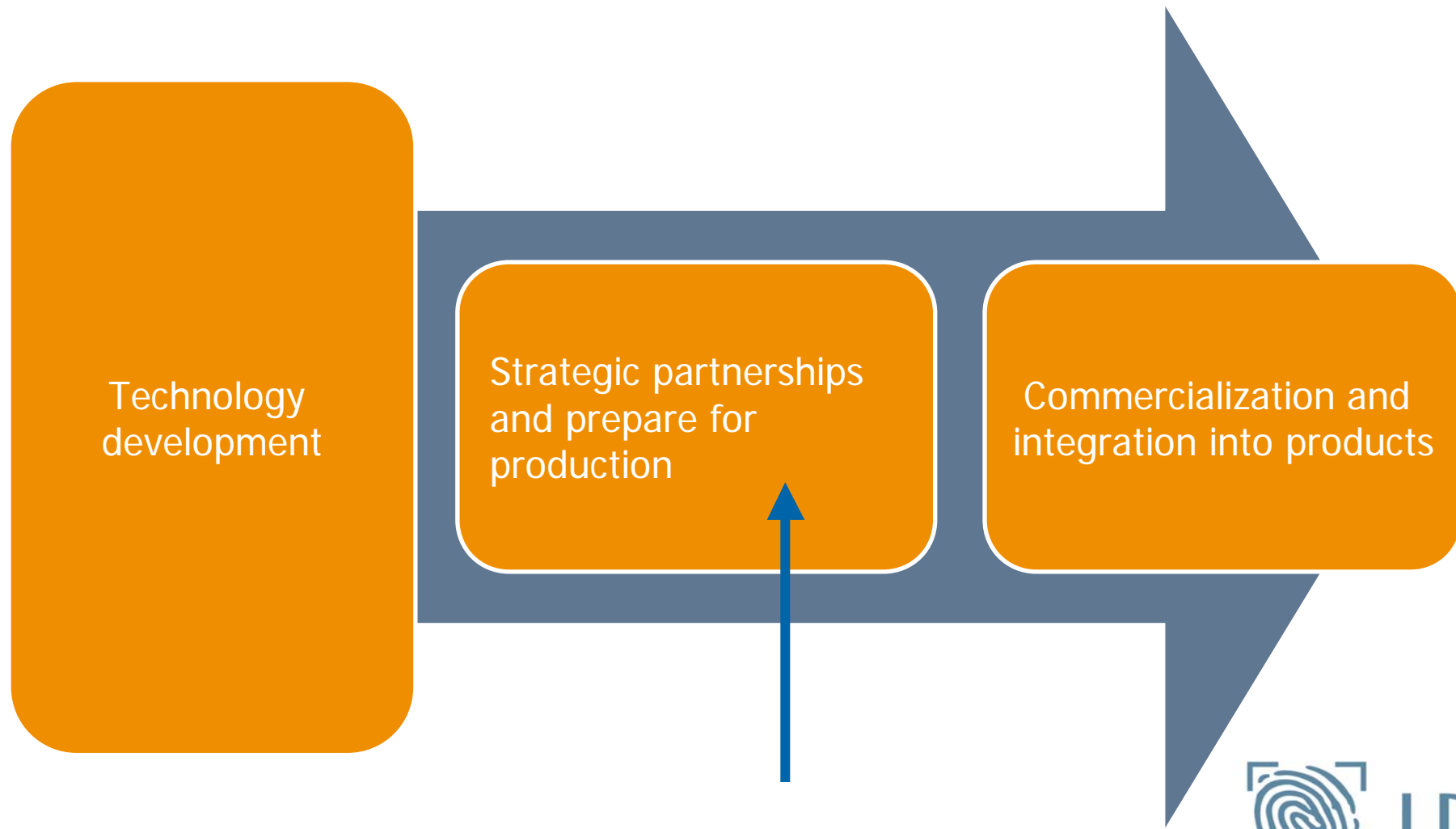


Goals for 2010

- To release the SmartFinger[®] Film fingerprint sensor product
- To have the SmartFinger[®] technology implemented in products on the market
- To generate revenues from customers



IDEX' next step: From technology development to commercial phase



IDEX' road to mass markets

IDEX has from the out-set offered a superior technology

- Lacked commercial volume manufacturing partner
- Cost structure never low enough for commercial adoption
- The chosen markets, mobile, PC, has shown be slow adopters

Today in a favourable position

1. Focus on exciting market opportunities; ID, access and Financial cards
2. Continuous development has put us into the lead with the new SmartFinger[®] Film sensors and authentication software
3. Established manufacturing partners to bring cost down
4. Strengthened focus on marketing and sales





The market opportunity;
ID, access control, financial transactions
and commerce



Personal security for every card you own

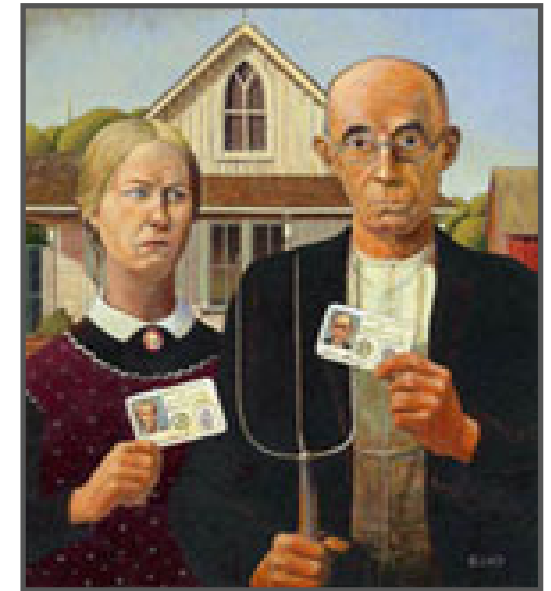
SmartFinger[®] Film, the next generation biometric sensor technology;

- ensures safe, secure, and simple use of personal ID in the everyday life.
- offers *stand-alone* biometric systems independent of centralized databases.
- enables *on-device* fingerprint enrollment and verification.
- suitable for receptive *mass market* applications.



Identity theft - a massive challenge

- Identity theft is doubling every year.
- Identity fraud in the U.S. alone cost more than USD 55 billion.
- Added security is required for ID, access control, transactions and commerce.
- Fingerprint biometrics is the obvious solution.



Fingerprint ID for the mass-market

- “On-device” authentication
 - Privacy
 - Data handling
 - Security
- Compatibility with existing infrastructure
 - Terminals
 - Internet banking and commerce
 - Access gates
 - ATMs



A variety of applications and markets

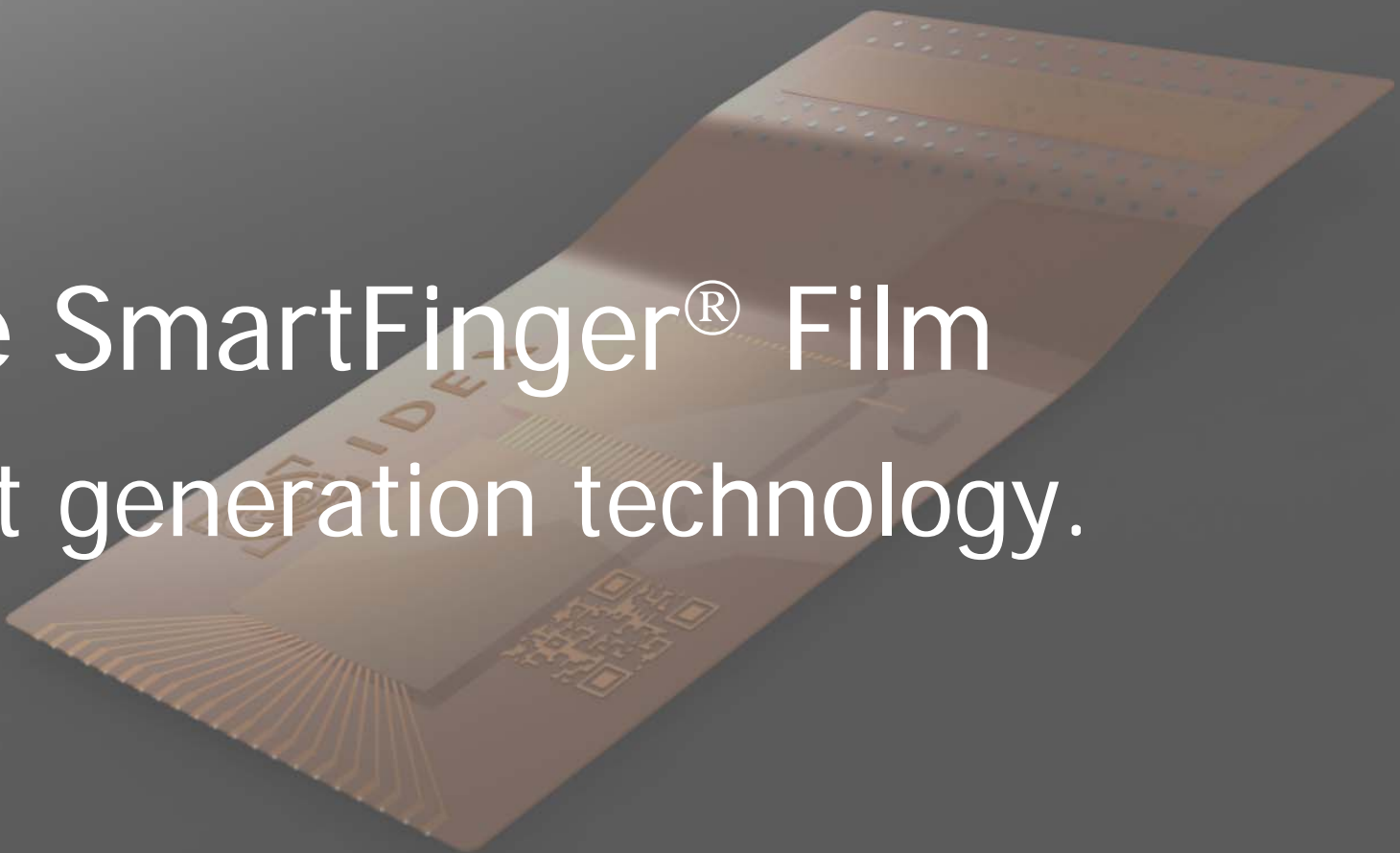
- E-commerce
- Online banking services
- Universities
- Health care
- Physical & logical access
- Government and civilian identification
- Airport security
- Online brokerages
- P2P money exchange
- Credit & Debit cards
- IT service providers
- Prepaid cards
- Transportation
- Telecoms



The card market is an immense potential

Governmental ID	5 billion cards
Military	75 million cards
Financial institutions	3 billion cards
Enterprise & physical access	1 billion cards
Annual total	9 billion cards





The SmartFinger[®] Film
Next generation technology.



The SmartFinger® Film;

- IDEX' next generation fingerprint sensor technology
- Based on state-of-the-art polymer manufacturing and offers small, ultrathin and flexible fingerprint sensors
- Compliant with the standard smart card dimensions
- Technology and products are covered by approved and filed IDEX patents



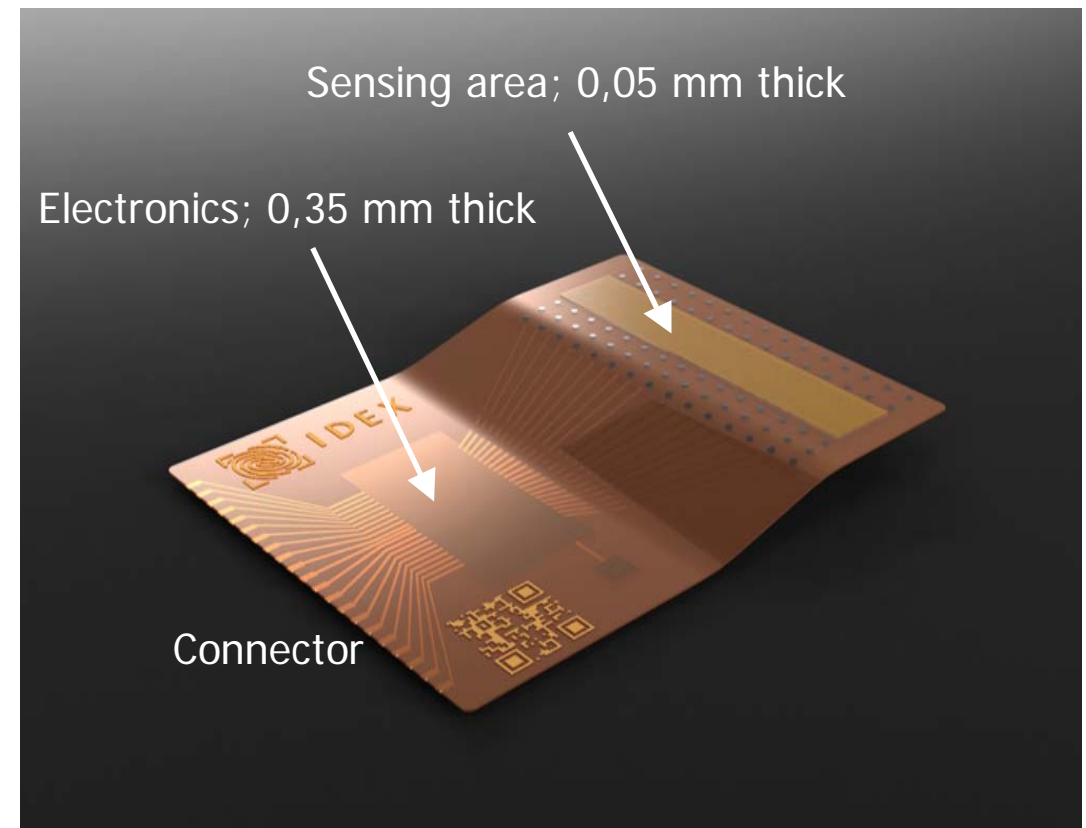
"We are excited by IDEX's technological breakthrough. This will enable Validus to deliver ISO form factor compliance biometric VALIDcard™ in the second half of 2010"

Travis McGregor CEO of Validus Technologies one of IDEX' global partners in the field of powered biometric cards.



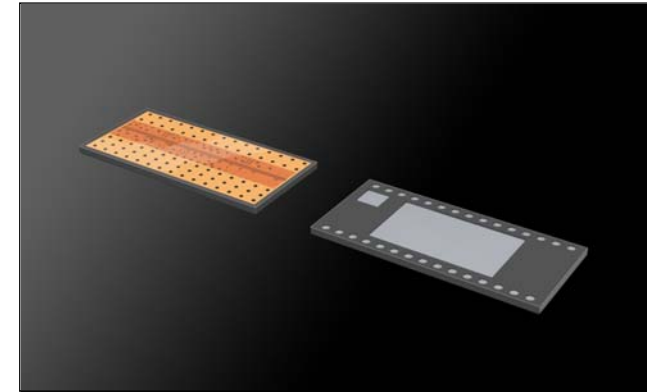
The SmartFinger[®] Film, designed for card integration

- Sensing area thickness: 0,05 mm
- Thickness of electronics part: 0,35 mm
- Smart card thickness: 0,76 mm



Product development progress

- First SmartFinger[®] Film sensors completed by IDEX manufacturing partners.
- Verification proves successful technology implementation.
- First sensor samples shipped to Validus for evaluation and product integration.
- SmartFinger[®] Film product design, in process. Prototypes expected in June.

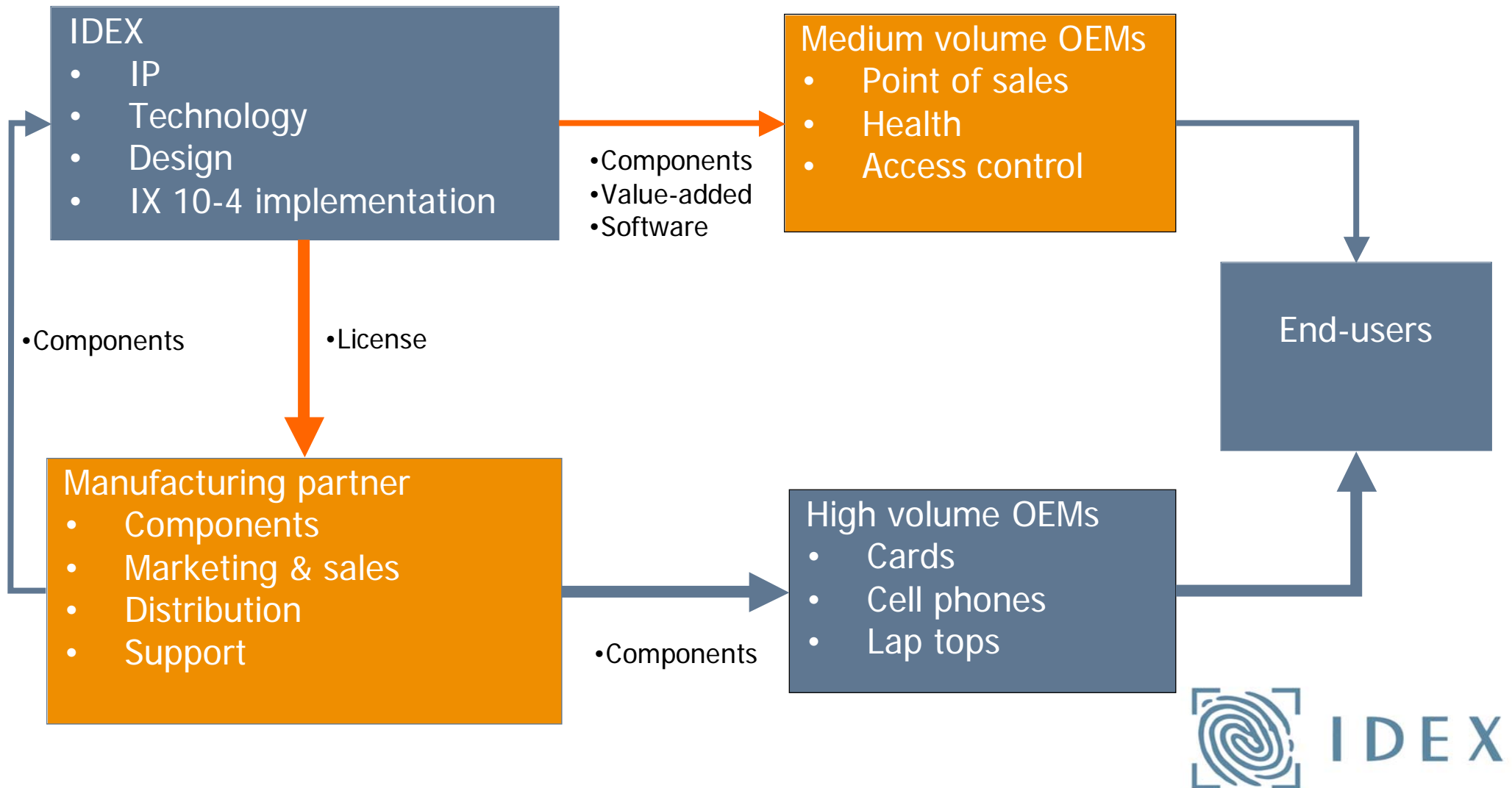


Business plan

The road to mass market adoption



Business models – our business proposal



Manufacturing partnerships are key

- Manufacturing and IP licensing partnership between IDEX and **Ionics EMS Inc.** providing Ionics rights to manufacturing and sales of fingerprint sensor products based on IDEX' patented SmartFinger® technology.
- Ionics is a leading electronics services provider based in the Philippines and listed at the Singapore Stock Exchange.
- Technology transfer completed and first SmartFinger® Film samples are under test and verification.



This is Ionics EMS

- 7 manufacturing sites in Philippines
- 55000 square meters of production area
- 60 Surface Mount Technology (SMT) lines
- 1600 employees
- ISO9001-2000; ISO14000 TL9000; TS16949 certified
- Recipient of Hong Kong Shanghai Banking Corporation's (HSBC)
"Asia's 100 Best Companies" award



The way forward



Sales and marketing update

- At CARTES Asia exhibition in Hong-Kong IDEX received 60 qualified visitors from 20 countries. 10 promising accounts are closely followed up by IDEX' sales representatives and IDEX head quarters
- New customer opportunities opened in USA, Asia and Europe
- Validus Technologies is committed to design the IDEX SmartFinger[®] Film sensor into their powered card platform



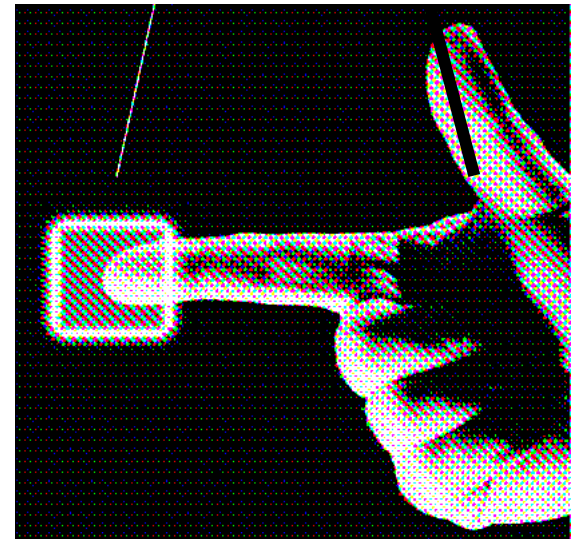
Focus on sales, marketing and commercialization

- IDEX restructuring its organization and projects with focus on sales, marketing and customer support
- **Knut I. Pogost** appointed sales and marketing representative for the Far East
- **Daniel Dingley** appointed sales and marketing representative for Europe and India
- Ramp-up to volume production



Outlook

- Q1 2010:
 - SmartFinger® technology verified and presented to the market
- Q2 2010:
 - Samples and demo kits ready for shipment
 - First product prototypes ready
- Q3 2010:
 - Customers evaluation completed
- Q4 2010:
 - Customers design-in
- Q1 2011:
 - Customers products shipped



Summary and conclusion



Summary

- SmartFinger® is the *next generation* fingerprint sensor technology suitable for a range of mass market applications
- IDEX undergoes a transition from a technology developer to become a commercially focused high-tech company
- IDEX is strengthening the sales and marketing organization
- IDEX has established relationships with suitable manufacturing partners to deliver solutions a competitive *price/performance nexus*.
- IDEX is offering flexible business models and partnerships including IP licensing, manufacturing, joint development and component supply

