

InCard Strengthens Reseller Relationship with Gemalto

Gemalto makes purchase commitments for InCard DisplayCards based on customer demand; move comes on heels of successful current deployments to client financial institutions

Los Angeles, CA – July 15, 2008 –Innovative Card Technologies, Inc (NASDAQ: INVC), developer of the InCard DisplayCard for e-banking, e-commerce and secure data access, today announced a product procurement agreement for the InCard DisplayCard™ with Gemalto (Euronext NL0000400653 GTO), a world leader in digital security. Under the terms of the agreement, Gemalto has made purchase commitments based on client orders. This arrangement enables Gemalto to shorten delivery lead times for current and future InCard DisplayCard deployments to enterprises and financial institutions.

Gemalto will make custom client-branded InCard DisplayCards a part of its current solution portfolio. The cards are being marketed to large enterprise and financial institutions as dual-factor authenticators for a wide range of data access and customer transactions at multiple points of access (online, ATM, or by phone).

“InCard provides an attractive technology – the OTP in credit card form – that is well adapted for the needs of enterprises and financial institutions. Gemalto provides a wide range of authentication solutions that the InCard DisplayCard form factor technology complements nicely. Gemalto is also providing personalization and fulfillment services to facilitate the deployment of the technology by customers and its adoption by end-users” said Francois Lasnier, Vice President and General Manager of Security for Gemalto North America.

The InCard DisplayCard integrates the security of a one-time passcode (OTP) token directly into a card the size of a standard credit or debit card. At the push of a button on the card, a one-time passcode is shown on its integrated display. During an online transaction, this number is entered into a user interface with other information such as the user’s login name and static PIN for multifactor authentication. The InCard DisplayCard is the most advanced product of its kind, having achieved Underwriter’s Laboratory (UL) certification for safe consumer distribution. A complete list of the InCard DisplayCard’s certifications can be found at www.incard.com/certifications.html.

“We are pleased to expand and strengthen our relationship with Gemalto even further with this latest agreement,” said Steven R. Delcarson, CEO and President of Innovative Card Technologies. “The success of their current deployments, and their commitment to monthly purchase quantities based on a rolling forecast, are testament to the strength of customer demand. We look forward to working with Gemalto under these new terms to continue to supply end-users with ultra-portable dual-factor authentication for secure online banking and brokerage transactions worldwide.”

About Innovative Card Technologies

Innovative Card Technologies, Inc. (NASDAQ: INVC) was founded in 1993 to add functions to payment cards. The company’s suite of InCard DisplayCards enable dual-factor authentication in a convenient card form. The cards can be configured to offer RFID physical access or payment capabilities, and feature a screen powered by an integrated battery, circuit, and switch. This screen displays a one-time password to verify the presence of the card during online and voice transactions or data systems login. www.incard.com.

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This release may contain forward-looking statements, which are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. All forward-looking statements included in this document are based upon information available to InCard as of the date hereof, and InCard has not assumed any duty to update these forward-looking statements to reflect events or circumstances after the date of this document. A discussion of various factors that could cause InCard’s actual results to differ materially from those expressed in such forward-looking statements is included in InCard’s filings with the Securities and Exchange Commission, including its Annual Report on Form 10-KSB, dated April 1, 2008.