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GEMPLUS INTERNATIONAL SA

Form 20-F/A

July 24, 2002

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 20-F/A
(Amendment No.1)
ANNUAL REPORT PURSUANT TO SECTION 13 or 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2001

Commission file number: 0-31052
Gemplus International S.A.
(Exact name of registrant as specified in its charter)
Not Applicable
(Translation of registrant's name into English)
Grand Duchy of Luxembourg
(Jurisdiction of incorporation or organization)
Aerogolf Center
1 Hohenhof
L-2633 Senningerberg
Grand Duchy of Luxembourg
(Address of principal executive offices)

Securities registered or to be registered pursuant to Section 12(b) of the Act:
None.

Securities registered or to be registered pursuant to Section 12(g) of the Act:

Title of Each Class -----	Name of Each Exchange on Which Registered -----
American Depositary Shares ("ADSs"), each representing 2 Ordinary Shares, without par value.....	Nasdaq National Market of the Nasdaq Stock Market Inc.
Ordinary Shares, without par value.....	Premier Marche of Euronext Paris

Securities for which there is a reporting obligation pursuant to Section 15(d)
of the Act:
None

The number of outstanding shares of each class of capital or common stock as of
December 31, 2001 was:
635,282,297 Ordinary Shares, without par value

Indicate by check mark whether the registrant: (1) has filed all reports
required to be filed by Section 13 or 15(d) of the Securities Exchange Act of
1934 during the preceding 12 months (or for such shorter period that the
registrant was required to file such reports) and (2) has been subject to such
filing requirements for the past 90 days.

☒ Yes

☐ No

Indicate by check mark which financial statement item the registrant has elected
to follow.

☐ Item 17

☐ Item 18

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EXPLANATORY NOTE

This Amendment No. 1 to Annual Report on Form 20-F/A (the "Amendment") has been filed to amend the Annual Report on Form 20-F filed by Gemplus International S.A. on July 1, 2002 (the "Annual Report"). The Amendment has been prepared to modify (a) certain information in paragraph (i) under the heading "Item 6. Directors, Senior Management and Employees--Board Committees" of the 20-F and (b) the Report of Independent Accountants included on page F-1 under "Item 19. Exhibits" of the 20-F. The registrant believes that these changes are not material to its financial condition, operations or prospects as described in the 20-F.

Except as described above, no change has been to the 20-F and the filing of this Amendment should not be construed to mean that any statements contained in the 20-F are true and complete as of any date subsequent to July 1, 2002.

Item 6. Directors, Senior Management and Employees

Board of Directors

Under Luxembourg law, the board of directors is vested with the broadest powers to perform all acts of administration and disposition in our interests. All powers not expressly reserved by law or by the articles of incorporation to the general meeting of shareholders fall within the competence of the board of directors.

Our board of directors currently has thirteen members. Members of the board are appointed by the shareholders to serve terms not to exceed three years and may be re-appointed for consecutive terms. They may resign at any time and their functions as members of the board may be terminated at any time by a simple majority of the votes of the shareholders voting at a general meeting. Under Luxembourg law, a director may be an individual or a corporation. Our board of directors met 17 times during 2001.

On December 19, 2001, the following members resigned from our board of directors: Dr. Bertrand Cambou, Mr. Andrew Dechet, Mr. Ronald Mackintosh and Mr. Antonio Perez. In addition, Dr. Lassus resigned from his position as Chairman and Mr. Halpern from his position as Vice Chairman, although both remain directors of our company.

Following these resignations, Dr.-Ing. Hasso Freiherr von Falkenhausen was appointed as director on December 19, 2001, and, effective as of January 10, 2002, as Chairman of the board. On December 19, 2001, Mr. David Bonderman was appointed as director and Vice-Chairman of the board.

At our annual general shareholders meeting on April 17, 2002, our shareholders approved a resolution to increase the number of board members to thirteen, and elected Dr. von Falkenhausen, Mr. David Bonderman, Mr. Thierry Dassault, Dr. Peter Kraljic, Mr. Daniel Le Gal, Mr. Gilles Lisimaque, Mr. Ronald W. Mackintosh and Mr. Ziad Takieddine to the board of directors. The resolutions to increase the number of board members and to elect Mr. Bonderman were ratified by a large majority at a further extraordinary general meeting of shareholders on May 15, 2002.

Following the board of directors meeting held on June 21, 2002, Mr. Dominique Vignon was appointed as Chairman of the Board with immediate effect,

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succeeding Hasso von Falkenhausen who resigned as Chairman but who continues to serve as a director of our company. Following the board of directors meeting on June 21, 2002, Mr. Gilles Lisimaque also resigned from our board of directors.

The following table sets forth the name, age, date appointed and occupation of each of our directors as of June 22, 2002.

Name	Age	Date Appointed	Expiration of Term	
Dominique Vignon.....	54	June 21, 2002	April 2004 April 2004	Chairman
Hasso Freiherr von Falkenhausen.....	69	December 19, 2001		Chairman Director Managing
David Bonderman.....	59	December 19, 2001	April 2004	Vice-Cha Director Texas Pa
Randy L.Christofferson.....	44	November 13, 2000	April 2004	Managing MIOGA Ve
Thierry Dassault.....	45	April 17, 2002	April 2004	Chairman Officer
Abel G. Halpern.....	33	February 1, 2000	April 2004	Managing Group
Peter Kraljic.....	63	April 17, 2002	April 2004	Senior D Company
Marc Lassus.....	63	February 1, 2000	April 2004	Director SA
Daniel Le Gal.....	51	April 17, 2002	April 2004	Partner Finadvan
Kheng Nam Lee.....	53	October 12, 2000	April 2004	Chairman
Ronald W. Mackintosh.....	54	April 17, 2002	April 2004	Chief Ex Internat
William S. Price, III.....	45	February 1, 2000	April 2004	Managing Group
Ziad Takieddine.....	51	April 17, 2002	April 2004	Presiden Resource

Board Committees

Our board of directors has the following committees:

- (i) Audit Committee, which consists of Mr. William S. Price III (Chairman), Mr. Randy L. Christofferson and Mr. Kheng Nam Lee. This committee was created by the board of directors on October 12, 2000, and met 4 times during 2001. This committee reviews our budgets and financial statements and any potential conflicts of

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interests with a director or other related party (1);

- (ii) Compensation and Search Committee, which consists of Dr.-Ing. Hasso Freiherr von Falkenhausen (Chairman), Mr. David Bonderman and Mr. Kheng Nam Lee. This committee was created by the board of directors on October 12, 2000, and met 2 times during 2001, in February and December. This committee makes recommendations on the compensation of executive officers and directors and supervises the administration of stock option plans for our employees. The committee also evaluates and recommends candidates for new board members and for the selection of our Chairman and Chief Executive Officer.

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- (1) Mr. Price is a shareholder of the general partner of Texas Pacific Group, one of our major shareholders, and, as a result, it is not certain whether Mr. Price may be considered an "independent director" in accordance with Rule 4350 of the NASD Manual. See "Item 7. Major Shareholders and Related Party Transactions--Major Shareholders." Our board of directors determined that the appointment of Mr. Price to the Audit Committee in November 2000 is in the best interests of our company and our shareholders because Mr. Price has extensive experience in finance and management and has served as a director of a significant number of public and privately-held companies in the United States and abroad. See "Item 6. Directors, Senior Management and Employees--Director and Executive Officer Biographies" for a description of Mr. Price's professional and academic background.

Executive Officers

Our board of directors has, with the authorization of a general meeting of our shareholders, delegated the day-to-day management of our company, including the power to act on behalf of our company, to the Chief Executive Officer except for any matters that exceed (euro)30 million, subject to powers expressly reserved by law to the board of directors or our shareholders.

During 2001 and at the beginning of 2002, some of our executive officers resigned, some of whom have not been replaced. In July 2001, Mr. Bertrand Cambou resigned from his position as Executive Vice President, Chief Operating Officer. He was not replaced, although he remained a director of our company until December 2001. In July 2001, Mr. Remy de Tonnac resigned from his position as Executive Vice President in charge of business development. He was replaced by Mr. Frederic Spagnou who resigned in March 2002, without being replaced. In December 2001, Mr. Antonio Perez resigned from his position as Chief Executive Officer and was replaced by Mr. Ronald W. Mackintosh, as interim Chief Executive Officer. In February 2002, M. William Lloyd resigned from his position as Chief Technology Officer and was replaced by Mr. Tony Engberg. In February 2002, M. Phil Faraci resigned from his position as Executive Vice President, General Manager of the telecommunications business unit. In March 2002, Mr. Steven Gomo resigned from his position as Chief Financial Officer and was replaced by Mr. Yves Guillaumot, as interim Chief Financial Officer.

The following table sets forth the name, age and current position of each of our executive officers as of June 22, 2002:

Name	Age	Position
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Ronald W. Mackintosh.....	54	Chief Executive Officer
Tony Engberg.....	52	Senior Vice President, Chief Technology Officer

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Yves Guillaumot.....	44	Executive Vice President, Chief Financial Officer
Stephen Juge.....	48	Executive Vice President, General Counsel
Didier Lachaud.....	42	Executive Vice President, Human Resources
Dr. Gilles Michel.....	50	Executive Vice President, General Manager Financial and Security Services Business Unit
Jacques Seneca.....	42	Executive Vice President, General Manager Gemventures Services Unit
Philippe Vallee.....	37	Executive Vice President, General Manager Telecom Business Unit
Jacques Villieres.....	56	Executive Vice President, Corporate Manufacturing

Director and Executive Officer Biographies

Ronald W Mackintosh has served as Chief Executive Officer since December 2001 and as Director from April 2001 to December 2001. He was re-elected Director at the annual general meeting of shareholders held on April 17, 2002. Mr. Mackintosh was the Chief Executive Officer of Differentis, an e-business integrator, from July 2000 through December 2001, when he resigned from the position. Prior to joining Differentis, Mr. Mackintosh served as Chief Executive Officer of Computer Sciences Corporation, European Business since October 1992. From June 1990 to September 1992, Mr. Mackintosh served as Chief Executive, CSC UK. From November 1987 to June 1990, Mr. Mackintosh served as Chief Executive Officer at Index Group Europe. Prior to October 1987, Mr. Mackintosh was a Partner at Nolan Norton & Co. Europe. Mr. Mackintosh serves on the Board of Directors of Differentis. Mr. Mackintosh graduated from Arbroath High School, Scotland.

Dominique Vignon has served as Chairman of the Board of Directors since June 21, 2002. Mr. Vignon served as Chairman of the Board of Directors and Chief Executive Officer of the Framatome group from 1996 to the end of 2001, where he also developed this group's connector business. From the end of 2000 to the end of 2001, he served as President of Framatome ANP and led the merger of the Framatome and Siemens corresponding activities. From 1990 to 2001, Mr. Vignon held various management positions within the Framatome group. From 1995 to 1996, he was President of Framatome's nuclear business. From 1993 to 1995, he was Chairman of Jeumont Industrie. From 1990 to 1993, was General Manager of Nuclear Power International (NPI), the joint venture of Framatome and Siemens. From 1975 to 1990, he worked at Electricite de France, where he was in charge of major new generation projects in France and abroad. Mr. Vignon is a graduate of France's Ecole Polytechnique, and of the leading French Engineering School, the Ecole Nationale des Ponts et Chaussees. He also holds a Bachelors degree in Economics.

Dr.-Ing. Hasso Freiherr von Falkenhausen has served as a Director since December 2001 and as Chairman of the Board of Directors from January 10, 2002 to June 21, 2002. Mr. von Falkenhausen is a founder and has been Managing Director since 1998 of Polytechnos Venture-Partners GmbH, Munich, Germany. Prior to founding Polytechnos Venture-Partners, Mr. von Falkenhausen held the position of CEO of World Card International, a holding and management services company for the Dr. Herbert Quandt family in Bad Homburg, Germany. In this capacity, he served as Chairman of the Board of Directors of DataCard Corporation, Minneapolis, MN, U.S.A., until 2000, as member of the board of directors of Gemplus Associates SA from 1993 to 1997, and as Chairman of the supervisory board of Gemplus SCA from 1997 to 1999. Prior to 1986, Mr. von Falkenhausen held an executive position with Robert Bosh GmbH, Stuttgart, Germany. Until 1980, he

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served as a director and senior partner of McKinsey & Co., a management consulting company, in Dusseldorf, Germany. Mr. von Falkenhausen received a Mechanical and Industrial Engineering degree from Berlin Technical University, Germany, and a Masters of Industrial Engineering degree from Cornell University, Ithaca, NY, U.S.A. He holds a Doctorate in Applied Mathematics from Darmstadt Technical University, Germany. Mr. von Falkenhausen serves on the boards of KERO Private Equity, Dieburg, Germany and Stylepark AG, Frankfurt, Germany, as well as on the European and German Advisory Boards of INVESCO.

David Bonderman has served as Vice-Chairman of the Board of Directors since December 2001. He is a principal, general partner and one of the founders of Texas Pacific Group ("TPG"). Prior to forming Texas Pacific Group, Mr. Bonderman was Chief Operating Officer of the Robert M. Bass Group, Inc. (now doing business as Keystone, Inc.) in Fort Worth, Texas. Prior to joining RMBG in 1983, Mr. Bonderman was a partner in the law firm of Arnold & Porter in Washington, DC where he specialized in corporate, securities, bankruptcy, and antitrust litigation. From 1969 to 1970, Mr. Bonderman was a Fellow in Foreign and Comparative Law in conjunction with Harvard University and from 1968 to 1969, he was Special Assistant to the U. S. Attorney General in the Civil Rights Division. From 1967 to 1968, Mr. Bonderman was Assistant Professor at Tulane University School of Law in New Orleans. Mr. Bonderman graduated Magna Cum Laude from Harvard Law School in 1966. He was a member of the Harvard Law Review and a Sheldon Fellow. He is a 1963 Phi Beta Kappa graduate of the University of Washington in Seattle. Mr. Bonderman serves on the Boards of Continental Airlines, Inc.; Bell & Howell Company; Ducati Motorcycles S.p.A.; Co-Star Realty Information Group; Denbury Resources, Inc.; Ryanair, plc; Washington Mutual, Inc.; Oxford Health Plans, Inc.; ON Semiconductors; Magellan Health Services, Inc., Paradyne Networks, Inc., and Korea First Bank. He also serves on the Boards of The Wilderness Society, the Grand Canyon Trust, and the American Himalayan Foundation. In addition, he serves on the Board of Directors of the University of Washington Foundation as well as the Harvard Law School Dean's Advisory Board.

Randy L. Christofferson has served as a Director since November 2000. Mr. Christofferson is the Managing Director of MIOGA Ventures since 1999. From August 1999 to September 2000, Mr. Christofferson served as Chief Executive Officer of Walker Digital. From 1995 to 1999, Mr. Christofferson served as President of First USA Bank. From 1990 to 1995, Mr. Christofferson held several senior management positions at the American Express Company, including President of Amex Relationship Services, Senior Vice President of Worldwide Quality and Reengineering and Senior Vice President of Corporate Strategy and Advanced Technology. Prior to 1990, Mr. Christofferson was a partner of Bain & Company. Mr. Christofferson received his M.B.A. from Harvard University and graduated with highest honors from Michigan State University, where he earned a B.S. in Chemical Engineering. Mr. Christofferson serves on the Boards of Directors of IntelliRisk Management Corporation, FineStationery.com, Alliance Consulting, Monogram Credit Services and Delaware Art Museum.

Thierry Dassault has served as a Director since April 2002. He currently serves as the Chairman and Chief Executive Officer of Dassault Multimedia, a venture capital company that holds investments in companies such as Infogrames, Hi-Media, NetZone and Welcome Real-time, in which Mr. Dassault also serves as Director. Prior to that, from 1985 to 1993, he was Producer Partner at Claude Delon Productions company. From 1982 to 1984, he was General Manager in an alarm systems Company, and from 1979 to 1981, he was Director of the Equipements Civils pour l'Electronique Serge Dassault company in Brazil. Mr. Dassault serves on the supervisory board of Gemplus SA since 1998 and as Chairman of the supervisory board of Gemplus SA since March 2001. He serves on the boards of different companies, including Cdandco, Chapitre.com, Dassault Multimedia, FCC and SERF (BFM), Gaumont, Groupe Industriel Marcel Dassault and IXO. He also serves on the supervisory board of Societe du Journal des Finances.

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Tony Engberg has served as our Senior Vice President, Chief Technology Officer for Research and Development since January 2002. Mr. Engberg joined Gemplus in October 2000. Prior to joining our company, Mr. Engberg worked for 23 years at Hewlett-Packard, where he held a number of positions, including software engineer, R&D Laboratory Manager, Group R&D Manager, and General Manager. Mr. Engberg holds a Bachelor of Arts and a Master in Business and Administration from the University of Chicago, Illinois.

Yves Guillaumot has served as our Vice President, Interim Chief Financial Officer since March 2002. Mr. Guillaumot joined our company in July 1998 as Corporate Controller. He was promoted to Vice President in March 2001. Prior to joining Gemplus, from 1987 to 1998, Mr. Guillaumot held various financial management positions with Digital Equipment, including as Director of Finance for Southern Europe, Middle East and Africa from 1997 to 1998 and Controller of the PC division from 1996 to 1997. Prior to 1996, Mr. Guillaumot held positions with Arthur Andersen and Arthur Young. Mr. Guillaumot graduated from the Ecole de Hautes Etudes Commerciales du Nord in France.

Abel G. Halpern has served as a Director since December 2001 and served as Vice-Chairman of the Board of Directors from February 2000 to December 2001. Mr. Halpern is a Partner and Managing Director with Texas Pacific Group. Based in London since 1996, Mr. Halpern is Co-Head of TPG's European private equity and investment activities and heads the European Technology and European Branded Consumer Goods practices. Prior to London, Mr. Halpern was based in Mexico City, focusing on Latin American investments. Prior to joining TPG, Mr. Halpern was a management and strategy consultant with Bain & Company, an international strategic consultancy firm. Mr. Halpern received a Masters of Business Administration from Harvard University and a Bachelor of Arts degree magna cum laude and with distinction from Yale University. Mr. Halpern's serves as Chairman of the Board of Directors of Bally International and serves on the Executive Committee of the Boards of Directors of Ducati Motor Holding and on the Board of Directors of Piaggio, Landis & Gyr Communications and Yazam.com

Stephen Juge has served as our Executive Vice President, General Counsel since November 2000. Prior to joining Gemplus, Mr. Juge served from January to October 2000 as Senior Vice President and General Counsel of Walt Disney Europe. From April 1996 to January 2000, Mr. Juge served as Senior Vice President and European Legal Counsel of The Walt Disney Company (Europe) S.A. From November 1987 to March 1996, Mr. Juge served as Vice President and General Counsel of Disneyland Paris (Euro Disney S.C.A.). Prior to joining Disneyland Paris, Mr. Juge was an associate at the international law firm of Coudert Freres in Paris between 1981 and 1987. Mr. Juge attended Louisiana State University, received a Juris Doctor degree from the Tulane University School of Law and studied comparative law at the University of Oxford on a Marshall Foundation Fellowship.

Kheng Nam Lee has served as a Director since October 2000. Mr. Lee is the President of Vertex Group and of Vickers Capital. Prior to serving as President of the Vertex Group, Mr. Lee managed several venture capital funds of the Vertex Group since 1988. Prior to joining the Vertex Group, Mr. Lee served as head of strategic and venture capital investments at the Singapore Technologies Group. He holds a Bachelor of Science degree in Mechanical Engineering (with First Class honors) from Queen's University, Canada, and a Master of Science in Operations Research and Systems Analysis (with distinction) from the U.S. Naval Postgraduate School. Mr. Lee serves on the Boards of Directors of Creative Technology Ltd., GRIC Communications Inc., Activcard S.A., ENBA Public Limited Company and Innomedia Pte. Ltd.

Dr. Peter Kraljic has served as a Director since April 2002. He currently serves as a senior director with McKinsey & Company, Inc., Dusseldorf, Germany. Dr. Kraljic joined McKinsey in 1970 and has worked extensively on strategic, organizational, operational and restructuring programs for industrial

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companies in Germany, Austria, France as well as in Central and Eastern Europe. From 1993 to 1998, he was responsible for McKinsey's activities in France as Directeur General. Prior to joining McKinsey, Dr. Kraljic worked as researcher in La Continentale Nucleaire, Luxembourg, as well as for the Welding Institute Ljubljana, Slovenia. Dr. Kraljic holds a degree in metallurgy from the University of Ljubljana, a Doctorate from the Technical University Hanover and a Masters in Business Administration from INSEAD, Fontainebleau, France. Dr. Kraljic serves on the supervisory board of the Wolfsburg AG association and of the IEDC Bled Management School.

Didier Lachaud has served as our Executive Vice President, Human Resources since September 1997. Prior to joining Gemplus, Mr. Lachaud served as Corporate Human Resources Manager at Fives-Lille from September 1995 to August 1997. Prior to August 1997, Mr. Lachaud held several senior management positions at Air Liquide from September 1990 and served as Personnel Manager at Schlumberger (now SchlumbergerSema) from 1985. Mr. Lachaud holds a Degree from the Institut d'Etudes Politiques de Paris.

Dr. Marc Lassus, one of our founders, has served as a Director since February 2000 and as Chairman of the Board of Directors from February 2000 to December 2001. Dr. Lassus was a member of the supervisory board of Gemplus S.A. from 1996 to January 2002, and served as Chairman of the supervisory board of Gemplus S.A. from April 1999 to January 2002. Prior to founding Gemplus, Dr. Lassus served as General Manager of the Microcomputers and Memories Division at Thomson Semiconductors from 1985 to 1988. From 1980 to 1985, Dr. Lassus served as General Manager of Matra-Harris Semiconductors in Nantes, France. Prior to 1980, Dr. Lassus held various management positions at Motorola Semiconductors in the US, Scotland and France, in the Integrated Circuits Division. Dr. Lassus holds a Bachelors Degree in Physics from Lyon's Institute of Applied Sciences, France, and a Ph.D. in Solid State Physics from Lyon's University. Dr. Lassus serves on the Board of Directors of Ingenico, among other board positions.

Daniel Le Gal has served as a Director since April 2002. He currently serves as a partner and Managing Director of Finadvance. One of our co-founders in 1988, Mr. Le Gal served as our Chief Executive Officer from 1997 to 1999, prior to which he held several management positions in Sales, Marketing and Strategic Planning for our company. Prior to founding our company, From 1982 to 1987, Mr. Le Gal served as Marketing Manager in the Telecommunication Unit of Thomson Semiconductors. From 1975 to 1982, he held various positions at France Telecom. Daniel Le Gal holds an Engineering Degree from Supélec, in Paris, France.

Gilles Lisimaque has served as a director since April 2002. One of our co-founders, Mr. Lisimaque currently serves as a Senior Vice President in our company in our U.S. operations. From 1985 until 1988, he held a position in technical marketing at Thomson Semiconductors. Prior to joining Thomson, Mr. Lisimaque held information management positions with Saint Gobain Pont a Mousson and Rousset S.A. Mr. Lisimaque holds an engineering degree from L'Ecole des Arts et Metiers in Lille. Mr. Lisimaque is the managing member of GemAussi LLC and is the trustee of G&M Charitable Remaining Unitrust.

Dr. Gilles Michel has served as President and General Manager of our Financial and Security Services Business Unit since May 2001. Prior to May 2001, Dr. Michel served as Executive Vice President, Financial Services from November 2000 and as Senior Vice President, Strategy, Mergers and Acquisitions from February 2000. Prior to joining Gemplus, Dr. Michel served as Vice President, Regional Business Segment (North and South America) at Schlumberger (now SchlumbergerSema) from September 1999 to January 2000. Prior to September 1999, Dr. Michel held various senior management positions at Schlumberger, including Vice President, Marketing and Vice President, Engineering and Manufacturing. Dr. Michel holds a Degree in Physics from the Ecole Supérieure de Physique et de Chimie, Paris, France, and a Ph.D. in Computer Science from the University of

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William S. Price III has served as a Director since February 2000. Mr. Price was a founding partner of TPG in 1992. Prior to forming TPG, Mr. Price was Vice President of Strategic Planning and Business Development for General Electric Capital Corporation. From 1985 to 1991, Mr. Price was employed by the management consulting firm of Bain & Company, attaining partnership status and acting as co-head of the Financial Services Practice. Prior to 1985, Mr. Price was employed as an associate specializing in corporate securities transactions with the law firm of Gibson, Dunn & Crutcher LLP. Mr. Price is a member of the California Bar and graduated with honors in 1981 from the Boalt Hall School of Law at the University of California, Berkeley. He is a 1978 Phi Beta Kappa graduate of Stanford University. Mr. Price serves on the Boards of Directors of Continental Airlines, Del Monte Foods, Denbury Resources, Belden & Blake, Zilog, Verado Holdings, Advanced Telecom Group, Bally, Dovebid, Petco Animal Supplies and Findexa.

Jacques Seneca has served as our Executive Vice President, General Manager GemVentures Services Unit since September 1, 2001. Mr. Seneca joined Gemplus in 1989 as Project Manager. He has held several management positions as Products Department Manager, General Manager for Sales and Manufacturing Operations in Germany, General Manager for the Telecom Business Division, and as Executive Vice President for Gemplus Marketing & Technology. Prior to joining our company, he worked with ST-Microelectronics where he moved from Manufacturing to Marketing positions and then led the business development for discrete components in Asia. Mr. Seneca holds a Bachelors degree from ENSAM and a Business Administration degree from IAE of Aix-en-Provence in France.

Ziad Takieddine has served as a Director since April 2002. He currently serves as the President of Middle East and Gulf Resources, an international consulting firm he founded to provide assistance to European industrial groups in their export operations to the Middle East and Gulf States. Prior to founding this firm, Mr. Takieddine headed SAPSI Sa, a company established to build and develop a ski resort, Isola 2000, in the South of France pursuant to a concession from the French Government. Mr. Takieddine received a Bachelors in Economics from the American University of Beirut and a Masters in Economics from Reading University in the United Kingdom.

Philippe Vallee has served as our Executive Vice President, General Manager of our Telecom Business Unit since February 2002. Prior to that date, he was Vice-President of the Marketing Telecom Business Unit from May 2001 to February 2002. He was previously based in Singapore as Executive Vice-President of Gemplus Technologies Asia, and headed the marketing and development activities and professional services operations of Gemplus Asia Pacific. Mr. Vallee has 10 years of experience in the smart card industry and has served in various marketing, product management and sales capacities in our company. Prior to joining our company, Mr. Vallee served as product manager on the first generation of GSM mobile phones for Matra Communications (now Lagardere Group) in France. Mr. Vallee has a Bachelor's degree in Electronics and Telecommunications Engineering and a Masters of Science in Marketing Management from ESSEC.

Jacques Villieres has served as our Executive Vice President, Corporate Manufacturing since 1999. From 1996 to 1999, Mr. Jacques Villieres served as Gemplus Cuernavaca Plant Manager in Mexico. Prior to joining Gemplus, Mr. Villieres was the General Manager of Microelectronics Techway from 1990 to 1996. From 1972 to 1990, Mr. Villieres held several management positions as General Manager at Cartier System, General Manager of a production unit at Thomson SCA, Technical Director at Matra Harris Semiconductors and Production Manager at Motorola. Mr. Villieres holds a Degree in Engineering and a Masters Degree in Industrial Electronics from INSA of Toulouse in France.

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Compensation of Directors and Principal Executive Officers

Aggregate compensation paid by us to our directors and executive officers as a group, consisting of thirteen persons, for the fiscal year ended December 31, 2001 was approximately (euro)7.4 million. This 2001 compensation expense includes compensation paid to Antonio Perez, our former Chief Executive Officer who resigned in December 2001, to Dr. Lassus who ceased serving as our Chairman of the Board in December 2001 and who remains a Director of our company, to Bertrand Cambou and Remy de Tonnac, who resigned in July 2001, and to Steven Gomo, Phil Faraci, William Lloyd and Frederic Spagnou, all of whom resigned in February and March 2002. Total compensation excludes amounts related to the forgiveness of loans we made to certain of our executive officers in 2000 and 2001. For a discussion of these loans, see "Item 7. Major Shareholders and Related Party Transactions--Related Party Transactions." A portion of the total compensation paid in fiscal year 2001, in the amount of (euro)814,000, reflects compensation that was paid with respect to services rendered by officers and directors in fiscal year 2000.

The following table presents the compensation paid in 2001 to our mandataires sociaux, which include our Chief Executive Officer and certain directors of our company:

Name	Total amount in euros
Antonio Perez	1,188,083
Bertrand Cambou	692,361
Kheng Nam Lee	81,250
Marc Lassus	1,147,221
Randy Christofferson	81,250
Ronald Mackintosh	50,000
Total	3,240,166

Beginning in 2002, all of our directors will receive (euro)40,000 per year as compensation in connection with services performed in their capacity as members of our Board and each chairman of a board committee will receive an additional one-time payment of (euro)10,000 for their services in that capacity. Our current Chairman of the board, Dr. Von Falkenhausen, will receive annual compensation of (euro)300,000 to be paid on a pro rata basis beginning January 10, 2002, as well as (euro)75,000 annually to be paid on a pro rata basis for services rendered as interim Chairman of the board from December 19, 2001 through January 9, 2002.

During 2001, our company issued to one of our employees who later became one of our executive officers 50,000 options to subscribe our ordinary shares, all of which were still outstanding as of March 31, 2002. None of our other directors or executive officers received compensation in the form of stock options in 2001. In 2000, our company issued to our directors and executive officers a total of 23,050,000 options to subscribe our ordinary shares. As of December 31, 2001, 25,422,500 options were outstanding, out of which 6,387,500 options were exercisable.

In addition, since its formation, Gemplus SCA, which was transformed into Gemplus S.A., our main French subsidiary, has issued to our directors and executive officers options to purchase Gemplus S.A. ordinary shares pursuant to its stock option plans, of which 221,203 were outstanding as of December 31, 2001. We are currently offering to the officers and directors who hold the stock

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options or the ordinary shares purchased pursuant to these options the possibility to contribute these options or shares to our capital in exchange for 11,060,150 stock options or shares of our capital stock (after giving effect to our fifty-to-one share split).

In 2000, we granted a total of 20,495,786 free shares and 40,991,572 stock options to Mr. Antonio Perez, our former Chief Executive Officer, and Dr. Marc Lassus, our former Chairman of the Board. All of the stock options have since been exercised. See "Item 7. Major Shareholders and Related Party Transactions--Related Party Transactions." Our stock compensation benefit of 69.3 million in 2001 compared to stock compensation expense of (euro)229.7 million in 2000 under U.S. GAAP was mainly attributable to these issuances. See "Item 5. Operating and Financial Review and Prospects--U.S. GAAP Reconciliation."

The aggregate amount we accrued on a consolidated basis during the year ended December 31, 2001 to provide pension, retirement and similar benefits for our executive officers was (euro)78,000.

Stock Options

In General

On July 27, 2000, we adopted a stock option plan that provides for the grant of stock options to any employees who are employed by our company or its affiliates. The term of the options granted under the plan will be determined by the notice of grant, but will not exceed ten years from the date of the grant of the option. No options may be granted under the plan after May 31, 2003 .

The maximum number of shares of common stock that may be issued under the stock option plan is 50,000,000. As of December 31, 2001, 44,508,691 stock options had been granted under our stock option plan and 35,987,358 stock options were outstanding. Our employees are also currently beneficiaries under the stock option plans previously adopted for Gemplus S.A., our main operating subsidiary. Our employees may contribute, from time to time, to our company the stock options or the shares of Gemplus S.A. received upon exercise of these options in exchange for options or shares of our company. As of December 31, 2001, 661,005 shares of Gemplus S.A. subject to options are currently outstanding under the old plans. Certain employees of Gemplus S.A. have elected to receive stock options of our company in exchange for their Gemplus S.A. stock options. As of December 31, 2001, 5,558,350 options resulting from the conversion of Gemplus S.A. stock options were outstanding. If all the Gemplus S.A. stock options outstanding as of December 31, 2001 were exercised or exchanged for options of our company and if all the shares resulting from the exercise of these options were contributed to our company, the beneficiaries would be the holders of 33,050,250 of our shares.

The terms and conditions of Gemplus S.A.'s stock option plans are mostly consistent with those of our stock option plan as described below, except for the method of determination of the option exercise price and the vesting period. The exercise price is determined at the time of issuance of the options based on the latest known transactions effected by the shareholders of Gemplus S.A. One-third of the options vest each year over a three-year term for French beneficiaries under the Gemplus S.A. stock option plan, while twenty-five percent of the options vest each year over a four-year term for non-French beneficiaries, except for the Gemplus S.A. 1999 Stock Option Plan, in which fifty percent of the options vest each year over a two-year period. Our employees may contribute, from time to time, to our company the stock options or the shares of Gemplus S.A. received upon exercise of these options in exchange for options or shares of our company.

Plan Administration

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The stock option plans are administered by the Stock Administration Committee that reports plan activities to the Compensation Committee of our board of directors on a quarterly basis. Under the option plan, the Stock Administration Committee has the authority to determine, in its discretion, the persons to whom options are granted; the number of shares of common stock underlying each option; the vesting schedule and conditions under which the options may be exercised, including any lockup periods; and any other matter necessary or desirable for the administration of the option plan.

Vesting Period

Unless otherwise decided by the Stock Administration Committee, the vesting period to options granted under the option plan will be four years, with 25% of the granted options vesting in each year, exercisable upon each anniversary of the date of grant.

Option Exercise Price

The plan requires that the exercise price for the options be 100% of the fair market value of the underlying share of common stock on the date of grant as determined by the Compensation Committee. Because our shares are listed on a stock exchange, the exercise price may not be less than 100% of the value of the underlying shares on the relevant stock exchange on the date of grant, subject to certain exceptions pursuant to local regulations.

On April 17, 2002, our board of directors voted to approve a plan whereby our employees will be offered an option to cancel stock options previously granted under plans adopted in 2000 and receive reissued options at a new exercise price. The new options will be granted at least six months and one day after the date of cancellation. The new exercise price will be the market price of our shares on the date the new options are granted. Employees may opt to cancel all or half of their stock options under this plan. This plan was launched on May 23, 2002.

General Plan Provisions

Share Counting. If any outstanding option expires, terminates or is canceled for any reason, the shares of common stock subject to the unexercised portion of such option will become available for future grants under the option plan.

Effect of Termination of Employment. If an option holder's employment is terminated:

- (i) for any reason other than the option holder's death or disability, he or she may exercise options which were exercisable at the time of the option holder's termination within three months after such termination, and all other options will expire at such time;
- (ii) on account of the option holder's disability, he or she may exercise options which were exercisable at the time of the option holder's termination within twelve months after such termination, and all other options will expire at such time;
- (iii) on account of the death of the option holder, his or her designated beneficiary may exercise options which were exercisable at the time of the option holder's death within six months following the option holder's death, and all other options will expire at such time.

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In no case may an option be exercised after the expiration date provided in an option holder's option grant agreement.

Adjustments upon Changes in Capitalization. The option plan provides for an adjustment in the number of shares of common stock available to be issued under the plan, the number of shares subject to options and the exercise prices of options upon changes in the capitalization of our company, including stock subdivisions and reclassifications and stock splits or dividend payments.

No Assignment or Transfer. During an option holder's lifetime, each option granted to an option holder is exercisable only by him or her. No option is transferable or assignable other than by will or the laws of descent and distribution.

Amendment. The Stock Administration Committee may at any time, with the approval of the Compensation Committee, adapt the stock option plans to adjust to or comply with applicable local legal, tax and accounting requirements. However, any modification or adaptation that would impair the rights of an option holder requires the prior consent of that option holder.

Senior Management Stock Option Plan

In addition, on November 10, 2000 our shareholders authorized our board of directors to increase our share capital and issue up to 60,000,000 shares to directors and executive officers of our company (including any of its subsidiaries or affiliates) in the form of stock options or, except in the case of directors, in the form of free shares, in each case on terms and conditions determined by our board of directors in its sole discretion. Our board of directors may issue these stock options and free shares from time to time over a five-year period from the date of publication of the shareholder resolution in accordance with Luxembourg law. As of December 31, 2001, 26,110,000 stock options had been granted to our directors and executive officers by our board of directors pursuant to this shareholder authorization, and 25,422,500 stock options were outstanding. The stock options issued by our board of directors pursuant to this shareholder resolution are not subject to the terms and conditions of our stock option plans.

On April 17, 2002, our board of directors voted to approve a plan whereby our senior management will be offered an option to cancel stock options previously granted under plans adopted in 2000 and receive reissued options at a new exercise price. The new options will be granted at least six months and one day after the date of cancellation. The new exercise price will be the market price of our shares on the date the new options are granted. Senior management may opt to cancel all or half of their stock options under this plan. This plan was launched on May 23, 2002.

Share Ownership

As of December 31, 2001, Dr. Marc Lassus and members of his family may be deemed to have beneficial ownership of 99,825,131 shares, which constitutes approximately 15.7% of the shares outstanding. As of December 31, 2001, beneficial ownership of 10,308,174 shares held by Vertex Investment International (III) Inc. representing 1.6% of the shares outstanding may be attributed to Mr. Kheng Nam Lee, who disclaims beneficial ownership of such shares, and beneficial ownership of 159,305,600 shares held by Texas Pacific Group representing 25.0% of the shares outstanding may be attributed to Messrs. Bonderman, Halpern and Price, who disclaim beneficial ownership of such shares. In addition, beneficial ownership of 28,300,000 shares, which constitutes approximately 4.4% of the shares outstanding, held by the Group Dassault may be attributed to Mr. Thierry Dassault, who disclaims beneficial ownership of such shares. None of the other officers or directors is the beneficial owner of more than 1% of our capital stock. See also "Item 7.

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Major Shareholders and Related Party Transactions--Major Shareholders."

Employees

The following table sets forth the number of employees and a breakdown of employees by main category of activity and geographic location as of the end of each year in the three-year period ended December 31, 2001:

	December 31,		
	1999	2000	2001
Number of employees(1)	5,877	7,870	6,721
Category of activity			
Manufacturing.....	3,491	4,312	3,745
Research and Development.....	660	993	819
Sales and Marketing.....	920	1,353	897
Services.....	152	270	309
General and Administrative.....	654	942	951
Geographic location			
France.....	2,413	2,922	2,778
Rest of Europe.....	1,464	2,067	1,340
Asia.....	1,022	1,617	1,562
Americas.....	978	1,264	1,041

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- (1) Includes the average number of temporary employees in each period, which amounted to approximately 512 employees in 1999, 528 employees in 2000 and 596 in 2001.

Following the announcement of our restructuring program on May 2, 2001, the workers committee of our main operating subsidiary, Gemplus S.A., commenced an "alert" procedure under French labor law based upon alleged concerns about the financial situation of Gemplus S.A. An accounting firm appointed by the workers committee issued a report about these alleged concerns. Management of Gemplus S.A. believes that these alleged concerns were unfounded and that management provided sufficient answers to them. The "alert" procedure was completed with a review of the report at a Gemplus S.A. shareholders meeting on May 28, 2002.

On February 6, 2002, we announced plans for a further restructuring of our operations and production and procurement processes in order to improve our financial competitiveness. These plans call for targeted savings of (euro)100 million per year and a one-time restructuring charge of (euro)65 million and include proposed staff reductions of approximately 1,140 positions worldwide in connection with this restructuring. This restructuring program affects all areas within the company (Manufacturing, Selling, Marketing, Research and Development and General and Administrative functions). The overall reduction of the workforce is broken down as follows: (i) manufacturing organization: 550 employees, (ii) general and administrative functions: 245 employees, (iii) selling and marketing organization: 215 employees, and (iv) research and development organization: 130 employees. The majority of employees terminated are located in France, Germany, the USA and the UK. As of March 31, 2002, 250 employees were terminated on a worldwide basis, with primarily the exception of France and Germany, in which we must carry out consultations with employee representatives before implementing workforce reductions. See "Item 5. Operating and Financial Review and Prospects--Results of Operations--Recent Developments." In connection with this plan, on February 14, 2002, Gemplus S.A. initiated the process of consultation with its workers committee and union representatives regarding a plan for the reduction of approximately 416 positions in France. The

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first phase of this consultation process was completed on March 22, 2002, and the second phase began on May 6, 2002 and was completed on June 5, 2002, in accordance with French procedures. Following the end of the second phase, the content of the plan will be determined precisely and communicated to the employees. Management of Gemplus S.A. believes that this consultation process with its employee representatives is continuing in a satisfactory and constructive manner and expects that it will be completed by the fourth quarter of this year.

We believe that our relations with our employees and employee representatives are satisfactory.

Under French law, all employers of more than 20 employees in France are required to implement a 35-hour work week. In February 1999, we entered into an agreement to implement the 35-hour work week mandated by the French law. Although the work week is shorter on average and we have not reduced salaries, the agreement allows us greater flexibility than before to organize the use of employee time. For example, employees can work more than 35 hours in some weeks, but in exchange we are required to reduce the number of hours worked in other weeks to ensure that they do not work more than 35 hours per week on an annual basis. We believe this added flexibility partly compensates for the reduction in hours and that the 35-hour week should not have a material adverse effect on our financial condition.

Item 19 Exhibits

(a) List of Financial Statements

Report of Independent Accountants.....	F-1
Consolidated Statements of Income for the Years Ended December 31, 2001, 2000, and 1999 (*).....	F-2
Consolidated Balance Sheets as of December 31, 2001, 2000 and 1999 (*)...	F-3
Consolidated Statements of Cash Flows for the Years Ended December 31, 2001, 2000 and 1999 (*).....	F-4
Consolidated Statements of Changes in Shareholders' Equity for the Years Ended December 31, 2001, 2000 and 1999 (*).....	F-5
Notes to the Consolidated Financial Statements (*).....	F-6

(*) Previously filed as an exhibit to the Company's Annual Report on Form 20-F filed on July 1, 2002.

(b) List of Exhibits

1.1	Form of the bylaws (Statuts) of Gemplus International S.A. as amended to date (English translation included). (*)
4.1	Second Amended and Restated Employment Agreement dated as of July 11, 2001 among Gemplus Americas, Inc., Gemplus International S.A. and Antonio Perez. (*)
4.2	Loan Repayment Agreement between Antonio Perez and Zenzus Holdings Limited, dated October 20, 2001, and Letter Agreement by Antonio Perez, dated December 19, 2001. (*)
4.3	Agreement between Gemplus International S.A., Zenzus Holdings Limited and

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Marc Lassus, dated December 19, 2001. (*)

8.1 Significant subsidiaries as of the end of the year covered by this report. (*)

(*) Previously filed as an exhibit to the Company's Annual Report on Form 20-F filed on July 1, 2002.

REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Directors and Shareholders,

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of income, of cash flows and of changes in shareholders' equity present fairly, in all material respects, the financial position of Gemplus International S.A. and its subsidiaries at December 31, 2001, 2000 and 1999, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2001, in accordance with International Accounting Standards. These financial statements are the responsibility of the Company's management ; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for the opinion expressed above.

As discussed in Note 2 to the consolidated financial statements, the Company changed its method of accounting for derivative financial instruments.

International Accounting Standards vary in certain respects from accounting principles generally accepted in the United States of America. The application of the latter would have affected the determination of consolidated net income for each of the three years in the period ended December 31, 2001, and the determination of shareholders' equity at December 31, 2001, 2000 and 1999 to the extent summarized in Note 32 to the consolidated financial statements.

/s/ PricewaterhouseCoopers

PricewaterhouseCoopers

Paris, France

February 27, 2002

SIGNATURE

Pursuant to the requirements of Section 12 of the Securities Exchange Act of 1934, the registrant certifies that it meets all of the requirements for filing on Form 20-F and has duly caused this Amendment to its Annual Report to

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be signed on its behalf by the undersigned, thereunto duly authorized.

Date: July 24, 2002

GEMPLUS INTERNATIONAL S.A.

By: /s/ Yves Guillaumot

Yves Guillaumot
Chief Financial Officer