



cpi card group™

confident passionate innovative

FOR IMMEDIATE RELEASE

**CPI Card Group Named Entrepreneurial Company of the Year
in Smart Card Market by Frost & Sullivan**

LITTLETON, CO – March 2, 2006 — Frost & Sullivan recently named CPI Card Group as the recipient of the 2006 Smart Card Entrepreneurial Company of the Year Award for gaining substantial market share by offering a superior product and investing in technological advances.

CPI is a leading supplier of card products to industries such as banking, hospitality, gaming, retail, identification, access control, and transit. A global participant, the company is also organized to provide the highest level of support to customers in the United States, Canada, and Mexico.

The company has the capabilities to manufacture over one billion plastic cards a year, making it the company with the largest plastic card production capacity in the U.S. and second largest in the world. The company's product meets the highest industry standards.

"CPI is committed to using cutting-edge technology to produce high-quality products of the highest quality," says Frost & Sullivan industry analyst Jason Halverson. "CPI began investing in contactless card production capacity before other manufacturers in the United States and, because of this foresight, the company captured a significant share of the contactless payment market when U.S. financial institutions started to adopt contactless technology in 2005."

CPI is a one-stop shop for all types of plastic cards including foil and translucent cards and cards with holograms. The smart card product line includes both contact and contactless smart cards. The company also manages the manufacturing, personalization, and distribution of cards for large customer organizations.

When financial institutions in the U.S. started to shift to smart cards, CPI was ready to supply them with contactless cards. As demand expanded in 2005, the company dramatically increased production for smart cards, and it can now supply over 25 million contactless smart cards in 2006.

The company has developed strategic alliances with both customers and suppliers to make supply channels more efficient. By partnering with customers and suppliers to advance innovation and reduce costs, the company has demonstrated excellent leadership strategies.

"CPI works closely with suppliers to offer customers the flexibility to choose the smart card chips and the operating system that best meet individual customer needs," notes Halverson. "It also partners with customers to provide comprehensive support on the personalization of the card and loyalty programs that provide additional value."

CPI's commitment to excellence is recognized by certification from major organizations, which have endorsed the company for exceeding stringent industry standards. Most of the company's profits are reinvested in the enterprise, which leads to a low debt ratio. This allows the company to obtain capital investments that increase productivity while maintaining the independence of an entrepreneur organization.

Frost & Sullivan presents its Entrepreneurial Company of the Year Award to a company that has demonstrated superior entrepreneurial ability in its industry. This Award signifies the company's identification of a unique and revolutionary product solution with significant market potential. Additionally, the Award certifies that the company's marketing strategy is sound and poised for success.

About CPI Card Group

CPI Card Group, a world leader in plastic card manufacturing for over 20 years, offers a single source for plastic cards from foil cards and holograms, to translucent and smart cards. CPI's two ISO 9001:2000 certified sites include CPI Card Group - Colorado, Inc. in Littleton, Colorado and CPI Card Group - Nevada, Inc in North Las Vegas, Nevada. The Nevada facility produces high-quality, general-purpose, magnetic stripe and smart cards for many applications. The Colorado facility, certified to produce Visa products, specializes in distinctive contactless financial cards with the largest capacity in North America.

About Frost & Sullivan

Frost & Sullivan, a global growth consulting company, has been partnering with clients to support the development of innovative strategies for more than 40 years. The company's industry expertise integrates growth consulting, growth partnership services, and corporate management training to identify and develop opportunities. Frost & Sullivan serves an extensive clientele that includes Global 1000 companies, emerging companies, and the investment community by providing comprehensive industry coverage that reflects a unique global perspective and combines ongoing analysis of markets, technologies, econometrics, and demographics. For more information, visit www.frost.com.

Contact:

Stacie Jones
210.247.2450
Stacie.jones@frost.com

