



Press Release

Emerging markets leads to 28% rise in global SIM card sales*

Berlin, 21st April 2008 - SIMalliance, the global association made up of the world's leading SIM card manufacturers, today announced a 28% growth in global SIM card shipments* at SIMposium 2008: the official event of the SIMalliance. The growth is being driven by new opportunities from emerging markets and demand for a new generation of high-speed multimedia handsets .

- *SIMalliance Perimeter*
- *Note that Total Market Available (TAM) is estimated from 1.9 billion in 2006 to 2.7 billion in 2007*

The double-digit growth has, in part, been driven by the evolving role of the SIM card within its extensive eco-system, made up of network operators, handset makers, technology vendors and providers of services, content and applications. Since the arrival of mobile broadband, new technologies, such as smartphones, have outsold laptops by as many as two million in 2007(*Source Symbian – Symbian Smartphone show*). In turn, this has brought new players to the mobile space, creating a pivotal new role for the SIM in addition to its existing role of securing identity across networks.

More sophisticated services are now demanded of the SIM, integrating tailor-made services, content and applications to suit the boundaries of wireless capabilities and interaction with the outside world. The migration towards 3G has continued to accelerate with 3G-enabled cards representing 14% of all SIMalliance shipments.

The move towards 3G has been a significant factor for sustained growth within saturated markets, (such as western Europe, with growth of 18%). However the biggest drive has come from emerging markets where shipments have increased:

- from 123 million in 2006 to 194 million in 2007, a growth of 58% in India
- from 332 million in 2006 to 427 million in 2007 , a growth of 29% in Greater China
- from 260 million in 2006 to 366 million in 2007, a growth of 41% in the Middle East and Africa
- and from 159 million in 2006 to 228 million in 2007, a growth of 43% in Latin America

The prosperous market conditions have also been stimulated by the increase in the average memory size of the SIM by as much as 12%. In 2007, the average memory size was 53kb in comparison to 47kb the previous year, but this has not been limited to areas where the market is already established. In Latin America, where shipments have risen by 43%, the average memory size is 76kb, higher than Western Europe and second only to Japan and Korea.

“These statistics reaffirm the role of the SIM card within the market. The significant technological advances that we see in the market, such as the impact of smartphones, are all dependent on the



SIM's capabilities," says Michel Canitrot, Chairman of SIMAlliance. "We believe that the SIM Industry, in light of the prosperous market environment, can open the SIM to other players within our eco-system and accelerate the adoption of these advances to the benefit of all operators."

SIMAlliance also announced an outlook for 2008 above the 3 billion mark for SIM cards shipped.

Note to editors: The SIM Market Data is collated through a blind and robust process involving all members of the SIMAlliance (90% of SIM cards sold in the world). Members send sales information each quarter to a neutral, independent party who ensures the confidentiality of the figures and aggregates each members' input into global market figures.

-ends-

About SIMAlliance: Putting the SIM at the heart of the new mobile eco-system

Over the past five years SIMAlliance has become one of the world's foremost commentators in the mobile business. By operating outside the singular commercial interests of any individual SIM card player, the association has been able to pinpoint the mission critical services on the horizon and help steer their development to meet the practical needs of the mobile market.

With SIMAlliance members* now responsible for nine of every ten SIM cards sold worldwide (see comments above, the collective vision of the association is uniquely placed to shape SIM developments and the impact they will have on the new generation of mobile services. From their standpoint, the challenge couldn't be clearer for the protagonists in the mobile eco-system.

* SIMAlliance members are: Eastcompeace, Gemalto, Giesecke & Devrient, Incard, Oberthur Card Systems, Prism (A Net1 Company), Sagem Orga, SanDisk, and XPonCard
New member in 2008: Watchdata (see comments at end of first paragraph)

Press Contacts:

Becky Kiely/Sarah Martinez
Octopus
T: +44 (0)845 3700 655
E: simalliance@octopuscomms.net

Stéphanie de Labriolle
Stéphanie de Labriolle
SIMAlliance - Marketing Director
+33 6 85 91 19 94
stephanie.delabriolle@simalliance.org
www.simalliance.org