

Press Release

SIMalliance Announces 2011 SIM Card Market Review

NFC and M2M Volumes Up

3rd May 2012

SIMalliance, London, May 3rd, 2012: SIMalliance, the Secure Element Architects for Today's Generation, today launches its annual review¹ into the health of the global SIM card market.

The annualized 2011 data highlights increasing SIM card adoption in North America, the rapid growth in M2M and the first significant shipments of NFC-enabled SIM cards. In total, card shipments by SIMalliance member organizations (who together account for approximately 94 percent of total volumes) were up 11 percent to 4,4 billion cards in 2011.

SIMalliance's Chairman of the Board, Frédéric Vasnier, will be giving a keynote at SIMposium USA, the only dedicated event addressing the vital role of the secure element² in the delivery of mobile applications and services.

SIMposium USA (www.simposiumseries.com), a CTIA pre-conference on 7th May, New Orleans, USA is brought to you by the SIMalliance in partnership with Informa Telecoms & Media.

For Media briefings, please contact Stéphanie de Labriolle at stephanie.delabriolle@simalliance.org or on +33685911994.

If you are not attending CTIA and SIMposium USA, please join our live webinar on Wednesday 16th May 2012 at 15:30 GMT for a detailed analysis of the SIM market in 2011 presented by Paul Naldrett, Board Director, SIMalliance, followed by a Q&A. More information at www.simalliance.org

SIM Growth Driven by Developing Markets and America

Developing markets and America drove the industry forward last year, with strong growth in Latin America (+36%), Middle East and Africa (+26 percent) and India (+31 percent). Shipments to North America continued to increase year on year with a 16 percent growth rate seen in 2011.

NFC becoming a volume industry

The burgeoning market for NFC handsets - estimated by Berg Insight to approach some 700 million devices by 2016 - resulted in 16 million NFC SIM cards being shipped in 2011. This is a significant development as, for the first time, shipments have reached sufficient volumes to be included separately in the SIMalliance annual data.

New form factors³ take hold

The review also highlights the continued growth in popularity of alternative form factors. Demand for the 3FF micro-SIM form factor (used in some high-end smartphones & media tablets) grew by 63% year on year, while shipments of M2M (Machine to Machine) SMDs (Surface Mounted Devices) grew by a factor of 3 between 2010 and 2011. Western European and North American destinations dominate for these new form factors. China also is an important destination for M2M devices.

Commenting on the figures, Frédéric Vasnier, Chairman of the Board, SIMalliance said: *"There's little doubt that the SIM card – whatever its form factor – remains the default security, identity and access device for today's mobile network operators, and through them, the end-user. But it was the emergence of M2M and NFC as significant sectors in 2011 that causes the real excitement. And as these markets move from emerging to maturing, service providers will increasingly be able to realize the incremental value of their SIM card estates."*

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Note to Editors:

1. The data published by SIMalliance in this press release are actual shipments. The actual shipments data is sent on an annual basis by SIMalliance members to an independent third party. There is no direct exchange of data between SIMalliance members. The third party aggregates and anonymizes the data so that no SIMalliance member is able to identify another SIMalliance member's contribution. SIMalliance member shipments represent around 94% of total available market.
2. The Secure Element is an embedded or removable token of security within the mobile device built in clean room environments and featuring a unique combination of hardware and software to create the most secure environment in which to deliver mobile services. The SIM is the most widely distributed platform in the world containing a Secure Element, with over 18bn units shipped since its inception.
3. New Form Factors:
3FF stands for 3rd Form Factor. 3FF is a physically smaller SIM card. The electric contacts and circuitry of a Micro-SIM are identical to that of a larger SIM card, the plastic card is simply smaller. Because size is the only difference, it is possible to make a multi-size SIM card that can be used either as a larger SIM, or as a micro-SIM after breaking away a plastic ring.

The SMD (Surface Mounted Device) form factor is a microprocessor used in an embedded system. Embedded processors are only sold to consumers pre-built into embedded systems, not separately.

About SIMalliance:

SIMalliance is (the non-profit trade association) dedicated to supporting the creation, deployment and management of secure mobile services and applications across the globe. Working in partnership with members, strategic partners and the wider mobile community SIMalliance anticipates and addresses the security, identity and mobility challenges of an increasingly converged internet. Through its working groups the alliance seeks to offer the blueprint to create a secure, open and interoperable environment where mobile services thrive. Headquartered in London, its membership is responsible for delivering the most widely distributed secure application delivery platform in the world (SIM/USIM).

SIMalliance members are Eastcompeace, Gemalto, Giesecke & Devrient, Incard, Kona@I, Oberthur Technologies, Morpho, Valid, Watchdata & Wuhan Tianyu.

SIMalliance Strategic Partners are Comprion, Linxens and Movenda.

SIMalliance – Security Identity Mobility

For more information visit www.simalliance.org

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