

# EUROSMART

The Voice of the Smart Security Industry

## PRESS RELEASE

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### **Eurosmart confirms 2011 volume growth for all market segments and excellent perspectives for 2012**

Eurosmart today confirms that over 6 billion microprocessor based smart secure devices will be shipped this year. Double digit growth in the telecom, banking and government segments is set to continue in 2012 thanks to the following major growth drivers and trends:

#### **Telecom**

- Still strong growth in developing markets (India, CIS, Latin America)
- M2M is opening new applications and expanding the smart security market, for instance into the automotive, consumer electronics and healthcare sectors
- LTE is launched in more than 20 countries, enabling more feature-rich IP services

#### **NFC**

- NFC commercial deployment started in 2011 with NFC enabled handsets and infrastructure available
- Strong growth will happen in 2012. Payment and ticketing are leading applications
- Eurosmart expects secure NFC devices to be in the range of 80 to 120mu in 2012
  - This forecast includes only standard NFC, excluding notably Felica
- Such strong growth will depend on:
  - MNOs and banks aggressively market NFC services
  - Leading handset manufacturers include NFC in all smart phones

#### **Banking-Retail**

- EMV migration in Latin America and China is driving growth. India is set to become the next big country to migrate, potentially with the US in the long term
- Dual interface contact & contactless continues its strong growth

#### **Government ID-Healthcare**

- Strong growth in National eID programs (Asia, Africa, Latam)
- Smart healthcare programs continue to contribute to growth, for instance with the current deployment in Germany

#### **Multi-application contactless**

- There is a clear trend of multi-application contactless cards combining two or more of identity, payment, social benefits and transport services on a single card

#### **New market opportunities**

With the growing number of online services and the advent of the Internet of things, Eurosmart sees a clear trend of increasing security demands in addition to the established smart card based applications. For example, this includes embedded secure elements and the associated secure

remote management solutions for smart metering, eCall, smart grid and cloud computing. Based on our history, the smart security industry is well positioned to provide convenient and secure solutions and services for these new markets.

Eurosmart presents twice a year its market analysis and vision of the Smart Security market worldwide. Our forecasts for 2011 and 2012 global smart cards shipments, including secure contactless, are presented in the tables below.

**Worldwide Smart Secure Device shipment - 2011 and 2012 forecasts**  
**Millions of Units (Mu)**

	2011 forecast	2012 forecast	2012 vs 2011 % growth
<b>Telecom</b>	4,600	5,100	11%
<b>Financial services</b>	1,010	1,200	19%
<b>Government - Healthcare</b>	240	300	25%
<b>Transport</b>	80	95	19%
<b>Pay TV</b>	125	140	12%
<b>Others</b>	80	90	13%
<b>Total</b>	<b>6,135</b>	<b>6,925</b>	<b>13%</b>

Telecom: including NFC secure elements (SWP UICC,  $\mu$ SD, embedded SEs)

**Secure Contactless market figures – 2010 and 2011 forecasts**  
**Millions of Units (Mu)**

	2011 forecast	2012 forecast	2012 vs 2011 % growth
<b>Financial services</b>	225	290	29%
<b>Government - Healthcare</b>	125	160	28%
<b>Transport</b>	80	95	19%
<b>Others</b>	30	35	17%
<b>Total</b>	<b>460</b>	<b>580</b>	<b>26%</b>

*Eurosmart is an international non-profit association located in Brussels and representing the Smart Security Industry for multi-sector applications. Founded in 1995, the association is committed to expanding the world's Smart Secure Devices market, developing Smart Security standards and continuously improving quality and security applications.*

*Members are manufacturers of smart cards, semiconductors, terminals, equipment for smart cards system integrators, application developers and issuers who work into dedicated working groups (communication, marketing, security, electronic identity, new form factors, and prospect emerging markets).*

*Eurosmart is acknowledged as representing "the Voice of the Smart Security Industry".*

*Eurosmart members are companies (Austriacard, EM Electronic Marin, FNMT-RCM, Gemalto, Giesecke & Devrient, Infineon Technologies, Inside Secure, LFoundry, Morpho, NedCard, NXP Semiconductors, Oberthur Technologies, ProofTag, Renesas Electronics, Samsung, STMicroelectronics, Toshiba), payment systems (GIE Cartes Bancaires, MasterCard), laboratories (CEA-LETI), research organisations (Fraunhofer AISEC), associations (Smart Payment Association, Mobismart, Danish Biometrics) and independent experts (Michel Koenig, Bernard Morvant).*

For more information, please visit [www.eurosmart.com](http://www.eurosmart.com)

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