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Smart Card Industry will hit new records in 2007: 4 billion cards in 2007!

In 2007, the activity of the smart card industry should continue its growth at a 16% rate, so much that smart card shipments worldwide will go beyond 4 billion following a volume of about 3.5 billion in 2006. Moreover, Eurosmart gives this year a first estimation of various "contactless" applications which represent more than 500M contactless devices, including memory only basic security as well as Secured Contactless Devices such as e-Passports, e-ID cards, EMV contactless cards, but excluding basic physical access control cards.

These figures include Chinese ID cards and transports to provide a comprehensive coverage of the worldwide market.

Eurosmart figures - Cards (Millions of Units- Mu)

Segments	Smart card shipments worldwide 2006		Smart card shipments worldwide forecast 2007 (March 2007)		
	Memory	Microprocessor	Memory	Microprocessor	
					Growth Vs. 2006
Telecom	480	2040	440	2400	18%
Financial services- Retail- Loyalty	30	410	30	490	20%
Government- Healthcare	250 ¹	90	350 ²	140	56%
Transport	140	20	160	30	-
Pay TV	-	65	-	70	-
Corporate Security*	15	15	20	20	-
Others	10	15	10	15	-
Total	925	2655	1010	3165	20%
TOTAL	3580		4175		

* Cards with logical access or multi-application feature (does not include single function access control cards)

¹ Including Chinese ID at 200 Mu

² Including 300 Mu forecasted for Chinese ID Card

Trends per market segments

Telecom SIM Cards

- 2006 is another year of strong volume growth, driven by almost all regions and emerging countries: India, Middle East and Latin America
- The Chinese market is growing again in 2006 after a stable year in 2005.
- 2.4 billion SIM cards are expected in 2007, which represents an increase in volume of 18% vs. 2006.

Financial services

- The deployment of Contactless payments in the US continues in 2006 and 2007
- EMV roll - out in Asia and renewal in Europe continue to generate strong volumes in 2006 to reach 20% growth in 2007
- About 40 million contactless payment devices are expected in 2007.

Government and Healthcare

- e-Passports started deployment in 2006 and will effectively be deployed in 40 countries by 2007 including all visa-waiver countries.
- e-ID: Portugal, Qatar, Morocco, adding to ongoing deployments in Belgium, Thailand, Hong-Kong, Estonia, Finland, Sweden, Oman, ...
- More than 300 Mu ID cards will be shipped in China in 2007, with a target of 900 Mu deployed before 2008 Olympic games
- Ramping up 2nd generation e-Health in France (SESAM-Vitale) and Germany (eGK)

Transport

- Growth in Latin America (Mexico, Bogota...) and several cities in Scandinavia (Stockholm), Benelux (Bruxelles) and India joining to the already many large cities in the world.

Regional breakdown

In 2006, microprocessor shipments are divided as follows:

- North and South America: 13,7%
- Europe- Middle East- Africa: 40,9%
- Asia: 45,5%

EUROSMART is an international association located in Brussels representing the smart secure technology industry. It aims at developing standards and improving quality and security application.

Eurosmart's figures are a reference for the smart card industry and financial markets, giving an overall picture of the markets and future trends.

For more information: www.eurosmart.com

Contact: coline.lavorel@eurosmart.com