THE BENEFITS OF THE GSMA EMBEDDED SIM SPECIFICATION

M2M is gaining momentum across a wide range of sectors, transforming business operations and creating new revenue opportunities.

**KEY M2M APPLICATION CATEGORIES**

<table>
<thead>
<tr>
<th>After Market</th>
<th>Regulatory/ Government</th>
<th>Smart Devices</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Vending Machines</td>
<td>Environmental Monitors</td>
<td>Smart Meters</td>
</tr>
<tr>
<td>Toll Charge</td>
<td>Automobiles</td>
<td>Watches</td>
</tr>
</tbody>
</table>

**IMPACT OF KEY APPLICATION CATEGORIES ON FUTURE MARKET GROWTH**

- **3**
- **2**
- **1**

**Current Cellular M2M Market**

- **OEM-Based**
- **Embedded Network**
- **Service Led**
- **Low Cost**
- **High Volume**

**Regulatory/ Government-Embedded Network**

- **Specific Activities Covered**
- **Low Cost**
- **High Volume**

**Removable SIMs**

- Not ideal for OEM & regulatory/government categories
- Increase costs and impact sales opportunities

**EMBEDDED SIMs ARE IDEAL FOR THESE CATEGORIES**

- **After-market Applications**
- **Network Add-on Solutions**
- **Individual Support Requirements**
- **High Cost**
- **Low/Medium Volume**

**BUT MARKET FRAGMENTED AS NO STANDARDISATION**

- These challenges and more can be overcome with the GSMA Embedded SIM Specification

**OVERALL MARKET GROWTH**

- **EMBEDDED M2M SIM CONNECTIONS 2020**
  - **478M**
  - **639M**

**CONSUMER ELECTRONICS CONNECTIONS WORLDWIDE 2020**

- **158M**
- **252M**

**PROPRIETARY EMBEDDED SIM**

- By 2020: $8.96 bn

**EMBEDDED SIM**

- GSMA EMBEDDED SIM SPECIFICATION

- Until now all solutions have been PROPRIETARY

- Difficult to change MNO at contract expiry

- Secondhand market problem

**POWERFUL AS GLOBAL STANDARD TO DRIVE GLOBAL SALE OPPORTUNITY**

By 2020, GSMA Embedded SIM Connections Expected to Reach 112K

- 220K Connected Cars
- 565M Consumer Electronics Connections