Asia-Pacific region overtakes EMEA in smart mobile device shipments

– High Mitsubishi and Sharp Q1 2006 shipments in Japan boost Symbian

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For immediate release

- Global shipments of smart mobile devices up 55% year-on-year in Q1 2006
- Handheld shipments fall 25%, Palm still first, but Mio Technology is only growing vendor in top five
- Converged devices up 75%, Nokia leads, RIM gains in second, Japanese vendors take next three places
- Symbian's global share in smart mobile devices hits new high of 69%, Microsoft is second on 12%
- RIM overtakes Palm globally, and in the US, for the first time

Highlights from the Canalys Q1 2006 global smart mobile device research

The latest market estimates from Canalys show some major changes happening in the worldwide market for smart mobile devices (handhelds, wireless handhelds and smart phones), with new names appearing in the global top five. Despite a sequential fall in quarterly smart phone shipments, leader Nokia's year-on-year growth of 60% meant it increased its market share slightly, helped by demand for highly popular multimedia models such as the N70. RIM made substantial gains to strengthen its position in second, growing at 85% and overtaking Palm both globally and in the US market for the first time.

Worldwide total smart mobile device market
Market shares Q1 2006, Q1 2005

Vendor	Q1 2006 shipments	% share	Q1 2005 shipments	% share	Growth Q1'06/Q1'05
Total	**16,702,640**	**100.0%**	**10,782,380**	**100.0%**	**54.9%**
Nokia	8,616,530	51.6%	5,394,900	50.0%	59.7%
RIM	1,399,090	8.4%	758,300	7.0%	84.5%
Palm	1,030,610	6.2%	1,009,040	9.4%	2.1%
Mitsubishi	1,016,320	6.1%	86,420	0.8%	1076.0%
Sharp	951,410	5.7%	31,960	0.3%	2876.9%
Others	3,688,680	22.1%	3,501,760	32.5%	5.3%

Source: Canalys estimates, © canalys.com ltd. 2005-2006
Smart mobile device market: handhelds, wireless handhelds, smart phones

Palm posted slight growth overall, but slipped to third in the worldwide rankings. Canalys estimates that Treo smart phone shipments were up 44% on the same quarter one year ago, but the Treo is yet to gain traction outside the US – a situation Palm will hope to correct with new models expected later this year. Palm's growing smart phone sales were offset by steep declines in those of handhelds. Globally the handheld segment was down 25%, with the top four players in this field (Palm, HP, Dell and Acer) all seeing year-on-year falls, and the only leading handheld vendor to post growth being fifth-placed Mio Technology, up 7%.

Worldwide handheld market
Market shares Q1 2006, Q1 2005

Vendor	Q1 2006 shipments	% share	Q1 2005 shipments	% share	Growth Q1'06/Q1'05
Total	**1,587,100**	**100.0%**	**2,122,460**	**100.0%**	**-25.2%**
Palm	450,460	28.4%	607,420	28.6%	-25.8%
HP	347,440	21.9%	538,530	25.4%	-35.5%
Dell	143,280	9.0%	216,710	10.2%	-33.9%
Acer	121,600	7.7%	130,990	6.2%	-7.2%
Mio Technology	82,610	5.2%	77,460	3.6%	6.6%
Others	441,710	27.8%	551,350	26.0%	-19.9%

Source: Canalys estimates, © canalys.com ltd. 2005-2006
Excludes wireless handhelds

"It is in the converged device arena that we are seeing the biggest changes," said Canalys senior analyst and research manager Rachel Lashford. "In addition to the shipment increases made by Nokia and RIM, Japanese vendors such as Mitsubishi and Sharp have achieved very high volumes of their new Symbian-based FOMA smart phones in Q1, catapulting them into the global top five. With increased shipments from Fujitsu, and a new device from Sony Ericsson, Symbian is enjoying not only significant Japanese market success, but also seeing record global market share."

Worldwide converged smart mobile device market
Market shares Q1 2006, Q1 2005

Vendor	Q1 2006 shipments	% share	Q1 2005 shipments	% share	Growth Q1'06/Q1'05
Total	**15,115,540**	**100.0%**	**8,659,920**	**100.0%**	**74.5%**
Nokia	8,616,530	57.0%	5,394,900	62.3%	59.7%
RIM	1,391,850	9.2%	758,300	8.8%	83.5%
Mitsubishi	1,016,320	6.7%	86,420	1.0%	1076.0%
Sharp	934,620	6.2%	-	0.0%	NA
Fujitsu	725,320	4.8%	654,320	7.6%	10.9%
Others	2,430,900	16.1%	1,765,980	20.4%	37.7%

Source: Canalys estimates, © canalys.com ltd. 2005-2006
Converged smart mobile device market: smart phones and wireless handhelds

This increased activity from the Japanese vendors has also helped the Asia-Pacific region overtake EMEA (Europe, Middle East & Africa) in overall quarterly smart mobile device sales for the first time since Canalys began tracking this market six years ago. In Q1 2006, Asia-Pacific represented 46% of all shipments compared to 39% for EMEA and 15% for the Americas.

"The market in volume terms is still dominated by purchases by individuals, rather than formal enterprise deployments," Lashford continued. "But with RIM's legal problems receding, Microsoft's push into mobile e-mail through Windows Mobile 5.0, and arrival of the delayed Nokia E-series devices we expect to see more enterprise activity in the coming quarters, particularly if more operators begin to offer business-friendly, predictable tariffs for mobile data – ones that encourage adoption rather than punish usage."

About Smart Mobile Device Analysis Worldwide

The shipment estimates discussed in this release come from Smart Mobile Device Analysis Worldwide – the leading market tracking service from Canalys. Canalys' smart mobile device product segmentation and definitions are used by vendors the world over to provide a consistent view of the total market for handhelds, wireless handhelds and smart phones. Clients receive quarterly market updates, regular reports, trends presentations and forecasts, and direct access to Canalys analysts. More information is available from the Canalys web site.

About Canalys

Canalys specialises in delivering high quality market data, analysis and advice to the world's leading technology providers. It is recognised as a key supplier of continuous advisory services and confidential custom projects by marketing managers and strategists within blue-chip IT, telecoms and consumer electronics companies. It has unrivalled expertise in European routes to market for all kinds of high technology products and services, and provides worldwide market data and trends analysis.

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