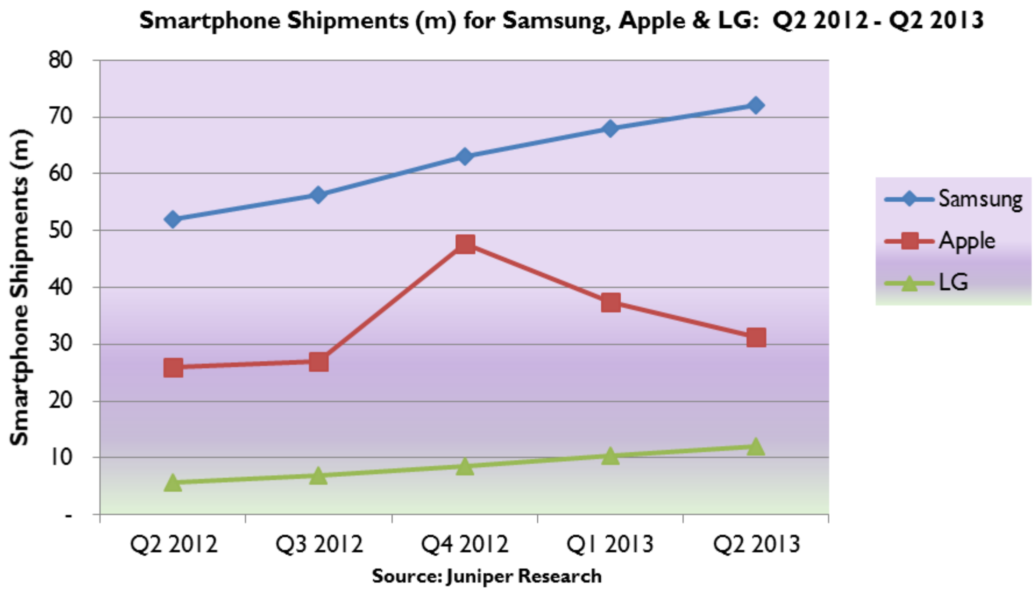
Smartphone Shipments Reached 230m in Q2 2013, Mid-Range Devices Drive Growth: Juniper Research



- Samsung surpasses previous quarter sales, profits up 50% y-o-y.
- Apple sells 31.2 million iPhones, but market share falls to 14%.
- LG posts quarterly sales record of over 12 million smartphones.

Hampshire, UK – 26th July 2013: Leading hi-tech mobile analysts Juniper Research estimates that the number of smartphone shipments reached 230 million in Q2 2013, representing a y-o-y growth of almost 50% from Q2 2012 and q-o-q growth of nearly 13%. **Samsung** increased its smartphone market share by shipping an estimated 72 million smartphones and accounting for approximately 31% of all smartphone shipments in the quarter.

Even though Samsung posted another record quarter in terms of device shipments, the South Korean company admitted slowing sales of their high-end smartphones including the Galaxy S4, with quarterly growth driven by mid-low end smartphones. Samsung is estimated to have shipped 20 million Galaxy S4 in the first two months after its April 2013 launch, but subsequent sales are believed to have tailed off.

Apple: iPhone Sales Surge, Profits Down, What Next?

Likewise, **Apple** boasted iPhone sales showing strong y-o-y growth – up by 20% to more than 31 million – but saw y-o-y profits fall for the second successive quarter. Apple was also the only leading vendor to experience a q-o-q decline in smartphone sales, down 17% from the previous quarter: as a result its share of smartphones slipped from 18% in Q1 2013 to 14% in Q2.

With Apple confirming that new products are in the pipeline *(Tim Cook has promised 'amazing new products' across autumn and 2014)*, Juniper Research still believes Apple needs to bring out an innovative device. Even though a cut-price model attractive to the emerging markets would help overall sales, Apple's background in innovation at the premium end of the market means that it must bring a 'game changing' device into the market to maintain its competitive edge.

Juniper believes that Apple will soon enter the smart wearables segment and that they are one of the players best placed to deliver convergence between the two segments – mobile devices and wearable devices. It is what they provide within the wearable market that will be the 'game changer'.

The Second Battle for Market Share Intensifies

LG posted its highest ever smartphones sales quarter, shipping 12 million in Q2 2013, representing a y-o-y growth of an impressive 114% from Q2 2012. Meanwhile, Chinese demand for low and mid end smart phones led to increased sales for vendors including **Huawei, ZTE and Lenovo**, with each exceeding an estimated 10 million shipments in Q2 2013.

Nokia shipped 11.7 million smartphones in the fourth quarter and posted Lumia sales of 7.4 million compared to 5.6 million in the previous quarter. The company also shipped 4.3 million Asha smartphones in the second quarter.

BlackBerry's (previously RIM) recent results – which run to a different financial schedule – are expected to see them ship around 6.9 million smartphones in Q2 2013. The Canadian company is believed to have sold nearly 2.8 million BlackBerry 10 devices over the past three months.

Juniper Research provides research and analytical services to the global hi-tech communications sector, providing consultancy, analyst reports and industry commentary.

For further details please contact Michele Ince, Press Relations

T: +44(0)1256 830001

E: Michele.ince@juniperresearch.com