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SD MEMORY CARD – RINGING UP NEW WIRELESS APPLICATIONS

SDA Targets Wireless Communications Market at 3GSM World Congress, Details New Mobile Specifications and Formation of Mobile Phone Task Force

Cannes, France (February 23, 2004) — SD Memory Card – the emerging de facto flash memory standard – continues to demonstrate its growing impact on the wireless communications industry. At the 3GSM World Congress in Cannes this week, the SD Card Association (SDA) offered details of recently-finalized specifications for mobile e-commerce and "SD Maps" that the Association believes will greatly expand the capabilities of SD Memory Cards in mobile devices. The Association also noted the formation of its new Mobile Phone Task Force, a key component in SDA's ongoing efforts to expand the capabilities of SD Memory Cards in mobile devices.

According to Gartner Dataquest research, "the SD card is expected to be the dominant standard in 2004 capturing 34 percent of Worldwide Flash Card Revenue." The SD Memory Card has become the dominant flash memory card through its total of 2,027 SD-enabled products, representing 171 brands in 31 categories that are marketed around the world.

The SD Memory Card, including miniSDTM, has already gained a great deal of acceptance in the mobile phone market with ten SD enabled mobile phones being produced for the European market by six prominent companies. A similar number of SD-enabled cellular phones, from seven manufacturers, are marketed in the United States, and in Japan, 20 SD-enabled mobile phones are presently available, with eight models being marketed in other areas of Asia. Furthermore, roughly 39 percent of all mobile phones sold in Japan in January 2004 were equipped with SD Memory Card slots, representing the vast majority (nearly 80 percent) of memory card-enabled mobile phones sold there.

| Region | Models | Manufacturers |
|---------------|--------|---------------|
| Europe | 10 | 6 |
| United States | 10 | 7 |
| Japan | 20 | 10 |
| Asia | 8 | 6 |

Mobile Commerce

The new Mobile Commerce specification, announced on February 12, 2004 following the SDA General Meeting, will expand the applications for the SD Memory Card format by adding "smart card" security and other new functionalities based on a combination of flash memory and the smart card module. This will allow the SD Card, including miniSDTM, to enable secure transactions for such important market segments as: Personal Transactions such as banking, stock trades, and micropayments; Personal Entertainment such as content download and navigation; and the Mobile Workforce Applications for industries such as medical, insurance, real estate and government sectors.

SD-Maps Specification

The SD-Maps specification, also announced on February 12, 2004, allows SD-enabled mobile devices to download, store and display map information for a wide variety of uses, to include: in-vehicle navigation systems, mobile phone navigation applications, and location-based information systems.

Mobile Phone Task Force:

The SDA also recently formed a Mobile Phone Task Force to ensure the needs of the mobile phone industry are met by the long-term road map for the SD Memory Card. Comprised of engineering and marketing representatives from Hewlett-Packard, Infineon, Microsoft, Motorola, NEC, Panasonic, Qualcomm, Renesas, Samsung, Sandisk, Sharp, Sychip, and Toshiba, the group will reach out to the worldwide wireless communications industry through meetings with key operators/carriers and handset manufacturers, participation in trade shows like 3GSM World Congress and CTIA, and industry education activities.

"The development of these new standards and the formation of SDA's Mobile Phone Task Force allows us to continue to build on our strong market position in the global mobile phone market," said Ray Creech, President of the SD Card Association. "Through these moves, we'll be able to bring the many benefits of the SD Memory Card, including miniSD™, to

the wireless communications industry and the growing number of business and consumer mobile users."

"This further demonstrates the outstanding technology of the format and the many important applications the SD Memory Card makes possible," said John P. Burnham, global director of marketing and communications for the SD Card Association. "As the mobile phone market grows, SD will be there, to help deliver on the promise and benefits of wireless communications."

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About the SDA

The SD Card Association (SDA) is an open industry standards organization established in January 2000 by Matsushita Electric (Panasonic), SanDisk and Toshiba, and is supported by a consortium of over 700 companies. The SDA's mission is to set industry standards and promote SD Memory Card's wide acceptance in a variety of applications. The SD Card is a highly sophisticated memory device about the size of a postage stamp. SD stands to revolutionize information, entertainment and communications by putting advanced digital storage technology quite literally at users' fingertips. SD Card standards are currently being built into a wide range of new digital products such as cellular phones, audio players, automotive multimedia systems, handheld PC's and video and digital still cameras.

The Association's Web site can be reached at www.sdcard.org for more information about SDA membership, applications usage, member companies and upcoming meetings. Parties interested in joining the SDA are encouraged to visit the Web site or contact SDA President Ray Creech directly at 831-636-7322 or receech@sdcard.org.