

VeriSign Mobile Messaging Index Q1 2008

Background

VeriSign® Messaging and Mobile Media Division delivers messages on behalf of carriers and content providers around the world. VeriSign's combined mobile messaging networks (P2P and A2P) connect to more than 500 carriers and reach over 2 billion wireless subscribers.

VeriSign Messaging and Mobile Media powers inter-carrier mobile messaging for seven of the top ten wireless carriers in North America and delivers messages and content for global content providers, brands, and enterprises.

Q1 Highlights

VeriSign Messaging and Mobile Media closed the first quarter of 2008 with another impressive showing of continued growth in its mobile messaging services. VeriSign's combined mobile messaging networks enabled over 43 billion messages in Q1 2008, up more than 34 percent from Q4 2007 and an increase of approximately 154 percent from Q1 2007. This robust network help enabled over \$1.6 billion in Q1 revenue to customers around the world.

2008 looks to be on pace for another record breaking year for VeriSign Messaging and Mobile Media Division as it has already reached almost 45% of last year's total messages enabled in just the first quarter. In 2007, VeriSign's combined mobile messaging networks enabled over 96 billion total messages, worth over \$4.8 billion in revenue to VeriSign customers. VeriSign Messaging and Mobile Media expects future growth in traffic volume to be fueled by a range of factors, including migration towards the unlimited voice and data plans by the operators and expansions in both mobile enterprise and mobile banking services.

- In Q1 2008, the number of messages enabled by VeriSign's combined mobile messaging networks was approximately 476 million per day, on average. This compares to approximately 352 million messages per day in Q4 2007 and approximately 189 million messages per day in Q1 2007.
- SMS continues to be the most popular form of mobile messaging, with over 42 billion messages exchanged through VeriSign's intercarrier SMS network in Q1 2008. This represents an increase of roughly 35 percent from Q4 2007 and a rise of over 160 percent from Q1 2007. VeriSign again demonstrated its class-leading messaging capabilities on Valentine's Day (Feb. 14, 2008), by flawlessly enabling a new volume record high of 538 million SMS messages in a single day.
- MMS continues to show strong forward momentum. In Q1 2008, approximately 272 million MMS messages were sent via the VeriSign Intercarrier MMS network, up from approximately 232 million messages in Q4 2007 and 122 million messages in Q1 2007 respectively. Revenue enabled to carriers by VeriSign in this category rose from approximately \$31 million in Q1 2007 to over \$68 million in Q1 2008.
- A2P messages delivered rose from approximately 155 million messages in Q4 2007 to approximately 187 million messages in Q1 2008, an increase of approximately 21 percent. Contributing to this growth were increases in SMS search, innovative A2P messaging campaigns such as "My Grammy® Moments", as well as the launch of new mobile banking customers. With six of the top ten Banking institutions as current customers, VeriSign expects to see significant increase in traffic volumes with the adoption of these enterprise-based mobile services.
- As in previous quarters, P2P messaging represents the most generated traffic volume and it will remain so for the foreseeable future. Yet, A2P messaging continues to see rapid increases, especially with the proliferation of new feature-rich smart phones and higher adoption of MMS applications, such as mobile social networking. VeriSign's PictureMail multimedia messaging service is representative of these trends and have seen traffic increase by approximately 22 percent from Q4 2007 to Q1 2008 and by more than 71 percent from Q1 2007.

VeriSign Messaging and Mobile Media News Q1 2008 To Date

- 4/29/08 CTIA and MMA Each Name VeriSign® Messaging and Mobile Media President to Board of Directors
- 2/13/08 Texting Love: A Record 2.2 Billion Mobile Messages Will Be Sent and Received this Valentine's Day in North America, VeriSign Projects
- 1/29/08 The Recording Academy® to Reprise 'My GRAMMY® Moment' with Help from VeriSign

Key

- **SMS** – Short Message Service. SMS is the most common form of mobile messaging, also referred to as “text” messaging.
- **ICSMS** – Inter-carrier Short Message Service. ICSMS messages are text messages exchanged between carrier networks.
- **MMS** – Multimedia Messaging Service. MMS allows users to send multimedia messages that include images, video and audio.
- **ICMMS** – Inter-carrier Multimedia Messaging Service. ICMMS messages are multimedia messages exchanged between carrier networks.
- **P2P Messages** – Person to person messages, or messages sent from one mobile user to another.
- **A2P Messages** – Application to person messages, or application-generated content such as news alerts, ring tones, promotional video clips, and enterprise messages that are sent to mobile users.

About VeriSign Messaging and Mobile Media Division

VeriSign Messaging and Mobile Media is a global provider of application services that reliably deliver short-message (SMS), multimedia message (MMS), and mobile content across any wireless operator and mobile device throughout the world. As a leader in mobile messaging, mobile banking and mobile content delivery, VeriSign Messaging and Mobile Media offers a broad portfolio of mobile infrastructure and delivery services. Offering reliable delivery, a worldwide presence, and rapid and effective deployment, VeriSign Messaging and Mobile Media has built a trusted and respected brand with global mobile operators, media content providers and enterprises.

VeriSign Messaging and Mobile Media is focused on delivering massive message volumes with superior:

- **Reach.** VeriSign Messaging and Mobile Media's global presence is combined with local market knowledge and regional operator requirements to offer carriers, media content providers and enterprises with unparalleled penetration.
- **Reliability.** VeriSign Messaging and Mobile Media's application services are designed with the high reliability and scalability that a true global mobile delivery engine requires.
- **Value Add.** As a global partner with a local presence, VeriSign Messaging and Mobile Media helps its partners maximize their revenues and reduce their costs.

The reach, reliability and value add of VeriSign Messaging and Mobile Media services enable mobile operators, media content providers and enterprises to capitalize on the rapidly growing messaging and media content markets. For more information, please call 1-888-716-0023 or email mobilesales@verisign.com.