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**Gartner Says Worldwide Sales of Mobile Phones Declined 3 Per Cent in Third Quarter of 2012; Smartphone Sales Increased 47 Per Cent**

***Samsung Extended Its Lead in the Smartphone Market Widening the Gap with Apple***

Egham, UK, 14 November 2012 — Worldwide sales of mobile phones to end users reached almost 428 million units in the third quarter of 2012, a 3.1 per cent decline from the third quarter of 2011, according to Gartner, Inc. Smartphone sales accounted for 39.6 per cent of total mobile phone sales, as smartphone sales increased 46.9 per cent from the third quarter of 2011.

While the mobile phone market declined year-on-year, Gartner analysts said there were positive signs for the industry during the third quarter.

"After two consecutive quarter of decline in mobile phone sales, demand has improved in both mature and emerging markets as sales increased sequentially," said Anshul Gupta, principal research analyst at Gartner. “In China, sales of mobile phones grew driven by sales of smartphones, while demand of feature phones remained weak. In mature markets, we finally saw replacement sales pick up with the launch of new devices in the quarter.”

Smartphones continued to fuel sales of mobile phones worldwide with sales rising to 169.2 million units in the third quarter of 2012. The smartphone market was dominated by Apple and Samsung. “Both vendors together controlled 46.5 per cent of smartphone market leaving a handful of vendors fighting over a distant third spot,” said Mr Gupta.

Nokia slipped from No. 3 in the second quarter of 2012 to No. 7 in smartphone sales in the third quarter of 2012. RIM moved to the No. 3 spot with HTC not far behind, at No. 4. “Both HTC and RIM have seen their sales declining in past few quarters, and the challenges might prevent them from holding on to their current rankings in coming quarters,” added Mr Gupta.

While seasonality in the fourth quarter of 2012 will help end-of-year mobile phone sales to end users, Gartner analysts said that there will be a lower-than-usual boost from the holiday season. Consumers are either cautious with their spending or finding new gadgets like tablets, as more attractive presents.

Samsung’s mobile phones sales continued to accelerate, totalling almost 98 million units in the third quarter of 2012 (see Table 1), up 18.6 per cent year-on-year. Samsung saw strong demand for Galaxy smartphones across different price points, and it further widened the gap with Apple in the smartphone market, selling 55 million smartphones in the third quarter of 2012. It commanded 32.5 per cent of the global smartphone market in the third quarter of 2012.

**Table 1**

**Worldwide Mobile Device Sales to End Users by Vendor in 3Q12 (Thousands of Units)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Company** | **3Q12****Units** | **3Q12 Market Share (%)** | **3Q11****Units** | **3Q11 Market Share (%)** |
| Samsung | 97,956.8 | 22.9 | 82,612.2 | 18.7 |
| Nokia | 82,300.6 | 19.2 | 105,353.5 | 23.9 |
| Apple | 23,550.3 | 5.5 | 17,295.3 | 3.9 |
| ZTE | 16,654.2 | 3.9 | 14,107.8 | 3.2 |
| LG Electronics | 13,968.8 | 3.3 | 21,014.6 | 4.8 |
| Huawei Device | 11,918.9 | 2.8 | 10,668.2 | 2.4 |
| TCL Communication | 9,326.7 | 2.2 | 9,004.7 | 2.0 |
| Research in Motion | 8,946.8 | 2.1 | 12,701.1 | 2.9 |
| Motorola | 8,562.7 | 2.0 | 11,182.7 | 2.5 |
| HTC | 8,428.6 | 2.0 | 12,099.9 | 2.7 |
| Others | 146,115.1 | 34.2 | 145,462.2 | 32.9 |
| **Total**  | **427,729.5** | **100.0** | **441,502.2** | **100.0** |

Source: Gartner (November 2012)

Nokia's mobile phone sales declined 21.9 per cent in the third quarter of 2012, but overall sales at 82.3 million were better than Gartner’s early estimate, largely driven by increased sales of the Asha full touch range. Nokia had a particularly bad quarter with smartphone sales, and it tumbled to the No. 7 worldwide position with 7.2 million smartphones sold in the third quarter. The arrival of the new Lumia devices on Windows 8 should help to halt the decline in share in the fourth quarter of 2012, although it won’t be until 2013 to see a significant improvement in Nokia’s position.

Apple’s sales to end users totalled 23.6 million units in the third quarter of 2012, up 36.2 per cent year-on-year. “We saw inventory built up into the channel as Apple prepared for the coming holiday season, global expansions and the launch into China in the fourth quarter of 2012,” said Mr Gupta. With iPhone 5 launching in more territories in the fourth quarter of 2012, including China, and the upcoming holiday season Gartner analysts expect Apple will have its traditionally strongest quarter.

In the smartphone market, Android continued to increase its market share, up 19.9 percentage points in the third quarter of 2012. Although RIM lost market share, it climbed to the No. 3 position as Symbian is nearing the end of its lifecycle. There was also channel destocking in preparation of new device launches for RIM, which resulted into 8.9 million sales to end users in the third quarter of 2012. With the launch of iPhone 5, Gartner analysts expect iOS share will grow strongly in the fourth quarter of 2012 because users held on to their replacements in many markets ahead of the iPhone 5 wider roll out. Windows Phone’s share weakened year-on-year as the Windows Phone 8 launch dampened demand of Windows Phone 7 devices.

**Table 2**

**Worldwide Mobile Device Sales to End Users by Operating System in 3Q12 (Thousands of Units)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Operating System** | **3Q12** **Units** | **3Q12 Market Share (%)** | **3Q11** **Units**  | **3Q11 Market Share (%)** |
| Android | 122,480.0 | 72.4 | 60,490.4 | 52.5 |
| iOS | 23,550.3 | 13.9 | 17,295.3 | 15.0 |
| Research In Motion | 8,946.8 | 5.3 | 12,701.1 | 11.0 |
| Bada | 5,054.7 | 3.0 | 2,478.5 | 2.2 |
| Symbian | 4,404.9 | 2.6 | 19,500.1 | 16.9 |
| Microsoft | 4,058.2 | 2.4 | 1,701.9 | 1.5 |
| Others | 683.7 | 0.4 | 1,018.1 | 0.9 |
| **Total** | **169,178.6** | **100.0** | **115,185.4** | **100.0** |

Source: Gartner (November 2012)

Additional information can be found in the Gartner report "Market Share: Mobile Phones by Region and Country, 3Q12." The report is available on Gartner's web site at [http://www.gartner.com/resId=2236115](http://www.gartner.com/resId%3D2236115).

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