



Press Release

Geneva, Switzerland, 26 February 2018

ID Quantique and SK Telecom join forces to form the global leader in quantum communications and quantum sensing technologies

ID Quantique SA (IDQ) today announced a strategic investment plan of US\$ 65 million from investor SK Telecom (NYSE:SKM), the South Korean telecom giant. The investment will strengthen ID Quantique's position as the global leader in quantum safe cryptography and quantum sensing solutions. It will also help IDQ to continue to develop global markets and partnerships.

ID Quantique announced today a strategic investment plan of US\$ 65 million from SK Telecom, intended to develop IDQ's quantum technologies for the telecom and IoT markets.

In the hyper-connected 5G era where some 43 billion devices worldwide¹ get connected through wireless networks, the importance of cybersecurity in mobile communications will rise exponentially. Against this backdrop, quantum cryptography has emerged as an essential solution for safeguarding critical information. The technology encrypts transmitted data using special quantum keys, which, according to the laws of quantum physics, are impossible to intercept or steal.

According to market research firm Market Research Media, the global quantum cryptography communications will grow into a US\$ 24.75 billion industry by 2025. Macrotrends such as 5G and IoT will be major accelerators for IDQ's quantum-safe and quantum sensing solutions in a world where exponential amounts of data will be exchanged.

IDQ has had a long term relationship with SK Telecom. In 2016 the company invested US\$ 2 million in IDQ and in 2017 developed the world's smallest (5x5mm) Quantum Random Number Generator based on technology and know-how licensed from IDQ.

As the first South Korean conglomerate to establish a quantum technology laboratory in 2011, SK Telecom has continuously invested in the development of quantum cryptography for wireless communications networks. As part of the transaction, SK Telecom's quantum laboratory will become part of IDQ.

"In the 5G era where everything in the real world is connected wirelessly, the issue of safety will continue to rise," said Park Jung-ho, CEO and President of SK Telecom. "We will continue our utmost efforts to provide our customers with the world's safest 5G technology."

"Quantum communications technologies will play a significant role in securing our data and communications, both in backbone networks and at the edge, in an era where the quantum computer will render vulnerable much of today's cryptography," added Dr. Grégoire Ribordy, CEO and co-Founder of IDQ. "We are proud to work closely with SK Telecom. Partnering with them will allow us to accelerate development of leading-edge solutions to meet these market needs. Together we can enter new geographic and vertical markets and meet the increasing demands for security."

¹ based on data by market research firm Gartner about expected number of connected devices in 2026

ID Quantique and SK Telecom will, in parallel, collaborate in the field of Quantum Sensing in order to keep growing the company's core quantum photonics technologies and provide the most innovative solutions for high potential industrial markets.



Park Jung-Ho, CEO and President of SK Telecom, and Grégoire Ribordy, co-founder and CEO of ID Quantique, at the signing ceremony for strategic investment plan.

About SK Telecom

Established in 1984, SK Telecom is the largest mobile operator in Korea by both revenue and number of subscribers. As of September 2017, the company holds around 50 percent of the market, with 30.16 million mobile subscribers including 22.57 million LTE subscribers. It has reached KRW 17.092 trillion in revenue in 2016. SK Telecom has led the advancement of mobile technologies ranging from 2G to 4G, and is currently setting important milestones in its journey to 5G. The company is not only leading innovation in the field of mobile network, but also providing IoT, media, home and platform services. SK Telecom is determined to play a significant role in the Fourth Industrial Revolution by achieving innovations and promoting shared growth with other players in the industry.

For more information, please visit: www.globalskt.com.

About ID Quantique

Founded in 2001 as a spin-off of the Group of Applied Physics of the University of Geneva, ID Quantique is the world leader in quantum-safe crypto solutions, designed to protect data for the future. The company provides quantum-safe network encryption, secure quantum key generation and Quantum Key Distribution solutions and services to the financial industry, enterprises and government organizations globally. IDQ's quantum random number generator has been validated according to global standards and independent agencies, and is the reference in highly regulated and mission critical industries - such as security, encryption, critical infrastructure and IoT- where trust is paramount.

Additionally, IDQ is a leading provider of optical instrumentation products, most notably photon counters and related electronics. The company's innovative photonic solutions are used in both commercial and research applications.

IDQ's products are used by government, enterprise and academic customers in more than 60 countries and on every continent. IDQ is proud of its independence and neutrality, and believes in establishing long-term and trusted relationships with its customers and partners.

For more information, please visit www.idquantique.com.