



China Telecom Terminal Value Chain Annual Conference 2016

"China Telecom Terminal Value Chain Annual Conference 2016", co-organized by China Telecom and Qualcomm, was held in Beijing on 19 January 2016. With the theme of " 'Internet+' drives terminal innovations", nearly 1,000 participants from partners along the value chain such as mainstream domestic and overseas terminal manufacturers, well cooperated e-commerce distributors, handset design companies, channel distributors, and after-sales service providers joined the conference. Mr. Yang Jie, President and Chief Operating Officer of China Telecom, and Mr. Derek Aberle, President of Qualcomm addressed the conference. Mr. Yang said China Telecom will grasp the opportunities of "Internet+" to reform and innovate, as well as strengthen open cooperation and speed up scale development in 2016.

In 2015, China Telecom took the initiative to announce the "Internet+" action white paper, which laid out the development plan in industrial Internet market and promoted "Together we venture and innovate". In addition, China Telecom led the upgrade of 4G and 4G+ terminals and promoted the new six-mode "multi-mode" handset as the national standard, which enhanced the quality, user experience and price-performance factor of terminals. Since the inception of "the Excellence 100" programme, China Telecom continued to strengthen the value chain by proactively attracting more partners and enhancing the prosperous growth of the terminal market. "e-Surfing" terminal sales grew by more than 10% despite the overall decrease in handset sales in 2015. China Telecom continued its leadership in industry development, with excellent achievements such as number one in integrated service revenue growth, 4G penetration, and 4G terminal sales market share.

Looking ahead in 2016, China Telecom shall continue the promotion of "Internet+" action plan, with greater effort in implementing Internet-oriented transformation. China Telecom shall accelerate the construction of network infrastructure, increase the penetration of broadband access, focus on enhancing infrastructure capability for cloud computing, Big Data and Internet of Things, and comprehensively promote network evolution to next generation of broadband Internet. China Telecom will commence cross-sector cooperation to provide advanced and applicable Internet-oriented information services, to promote the in-depth integration and transformational upgrade of traditional businesses and the Internet.

In 2016, China Telecom will fully promote 4G and fibre broadband networks construction to provide higher speed and more intelligent network infrastructure. At the same time, China Telecom will focus on the development of infrastructure to support Internet of Things, cloud computing and Big Data. Through informatization initiatives, China Telecom will strive to provide more efficient and convenient information

services to industries, corporations and the society. China Telecom will enhance its "Internet +" capability development, to promote flourishing applications. China Telecom will cooperate with value chain partners to promote higher compatibility, faster and more diversified smartphones, and will further promote "six-mode" handsets as the national standard, to provide customers with "one handset for three networks" terminal products. China Telecom will upkeep its principle to be open, and continue to proactively explore new cooperation opportunity among the diversified pan smart terminal market.

With the rapid development of the Internet and information technology, Internet is expected to be incorporated in all aspect of the economy and become the new trend, with great development momentum. As Mr. Yang mentioned, China Telecom shall fully implement the "Internet+" action plan, strengthen the open cooperation in e-Surfing terminal business, channel integration and platform development through diversified cooperation model. China Telecom will work together with its business partners along the value chain to grasp the opportunities for development, stimulate vitality through innovation, consolidate resources through cooperation, and enhance development through synergy. These efforts would build a faster and more stable network for the users, provide better functionality and greater variety of terminals for more quality applications, and create a brighter future for the next "Internet+" generation.