



## China Telecom CDMA Terminal Value Chain Annual Conference 2012

"China Telecom CDMA Terminal Value Chain Annual Conference 2012" co-organized by China Telecom and Qualcomm was held in Beijing on 16th January, 2012. More than 1,000 participants from the value chain joined the conference. Mr. Wang Xiaochu, Chairman of China Telecom, and Mr. Paul Jacobs, Chairman of Qualcomm addressed the conference.

In 2011, the number of partners in upper stream of the CDMA terminal value chain exceeded 410 (vs ~270 partners in 2010). Over 1,100 models of CDMA terminals are available in the market, up about 40% year-over-year. While the product mix of e-Surfing terminals has been upgraded and optimized consistently, the number of 3G handset models has exceeded 500, with sales volume of 34 million units in 2011 (around 3 times more than 2010). It is noteworthy that e-Surfing 3G smartphone has increased to around 200 models in 2011 (nearly 4 times more than 2010) and registered sales volume of 16.6 million units (10 times more than 2010).

In 2012, China Telecom will align with its main theme of "promoting scale development through dual-leadership in innovation and services", adhere to the two key strategies of scale operation and data traffic operation management, proactively expand into emerging areas such as mobile Internet, speed up the adjustment of business structure, revitalize the effective use of various resources, and enhance the quality and effectiveness of development. It is expected that the demand for e-Surfing terminals in 2012 will exceed 80 million in volume, of which 45 million would be 3G smartphones. In the conference this year, Chairman Wang explicitly advocated the strong promotion of smart terminals innovation, with a view to change the work and life style of the consumers through the effective integration of mobile terminals and applications. Leveraging its 3G network of the most comprehensive coverage in China, continuously increasing Wifi hotspots, and current implementation of "Broadband China, Fibre Cities" project, China Telecom will fully support the rapid and sustainable development of emerging businesses and applications, while further enhancing its differentiated 3G service strengths. These would enable China Telecom to obtain leading competitive strengths in the development of mobile Internet.