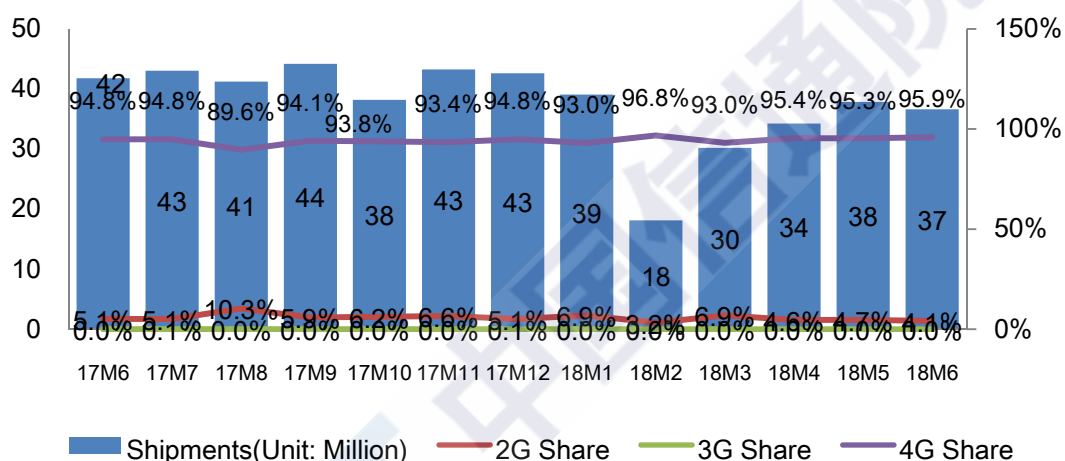


Part 1. Overall Mobile Phone Market in China

June domestic mobile phone shipments reached 36.6 million units, down 12.4 percent year over year. 74 new models were released in the month, down 23.7 percent year-over-year (y/y).

Over the past 6 months, domestic mobile phone shipments reached 196.1 million units and number of new model release reached 397, down 17.8 percent and 30.0 percent y/y respectively.

Chart 1: Domestic mobile phone shipments from June 2017 to June 2018



Part 2. Development of 4G Mobile Phones

June domestic 4G mobile phone shipments were 35.1 million units, down 11.4 percent y/y, and represented 95.9 percent of the total shipments. 59 new 4G models were released in the month, down 24.4 percent y/y, accounting for 79.7 percent of the total new models this month.

Over the past 6 months, domestic 4G mobile phone shipments were 185.8 million units, down 17.9 percent y/y, and represented 94.8 percent of the total shipments. The total number of new model release reached 311, down 33.0 percent y/y, accounting for 78.3 percent of the total new model release.

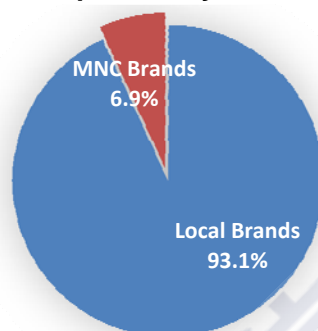
Part 3. Local and MNC Brands of Mobile Phones

June mobile phone shipments by the local brands reached 34.1 million units, down 10.5 percent y/y, accounting for 93.1 percent of the domestic mobile phone shipments.

Number of new models released by the local brands (70 units) decreased by 23.1 percent y/y, and represented 94.6 percent of the total number of new model release in the month.

Mobile phone shipment volume for year 2018 by the local brands reached 175.6 million units, down 18.6 percent y/y, and accounted for 89.6 percent of the domestic mobile phone shipments. Number of new models released by the local brands (367 units) decreased by 31.3 percent y/y, and represented 92.4 percent of the total number of new model release in the domestic market.

Chart 2: June 2018 mobile phone shipments by local and MNC brands



Part 4. Development of Smart Phones

June smart phone shipments were 35.0 million units, down 11.4 percent y/y, and accounted for 95.5 percent of the domestic mobile phone shipments in the month. Over the past 6 months, smart phone shipments were 185.5 million units, down 17.8 percent y/y, and represented 94.6 percent of domestic mobile phone shipments.

In June, 57 new smart phone models were released, down 26.9 percent y/y, and accounted for 77.0 percent of the number of new release. Over the past 6 months, 311 new smart phone models were released, down 31.2 percent y/y, and accounted for 78.3 percent of the number of new release.