

Overview

Founded in 1987, Huawei is an entirely employee-owned private company and a leading global information and communications technology (ICT) solutions provider with a vision to enrich life through communication. Through the company's **140,000** employees and dedication to customer-centric innovation and strong partnerships, Huawei has established end-to-end capabilities across the carrier networks, enterprise and consumer markets by providing competitive solutions and services, which have been deployed in over **140** countries, serving more than **one-third** of the world's population.

In 2011, Huawei recorded revenues of USD **32.4** billion¹, a year-on-year increase of **11.7%**. Huawei's annual report, audited by KPMG, is released every April and is available at: <http://www.huawei.com/en/annualreport2011>.

As a responsible corporate citizen, Huawei is committed to openness and transparency in all aspects of its business in order to provide stakeholders with a better understanding of the company. Huawei's 2011 Corporate Sustainability Report is available at: <http://www.huawei.com/en/csr2011>.

Since 1997, Huawei has worked with world-leading consultancies, such as IBM, Hay Group, PricewaterhouseCoopers, Fraunhofer-Gesellschaft and Accenture to enhance its management capabilities and establish processes and systems driven by customer demand.

Business Groups

Huawei started its transformation into a complete end-to-end ICT solutions provider across its Carrier Network, Enterprise and Consumer businesses in 2011.

Carrier Network Business: Huawei provides **45** of the world's top **50** telecommunications operators with unified platforms, consistent experiences, and adapted solutions. These solutions support network data traffic and help carriers simplify networks and achieve technological upgrades, while enabling rapid deployments, streamlined operations, and reduced network expenditure.

Enterprise Business: Huawei provides highly efficient ICT solutions and services, including network infrastructure, unified communications and collaboration (UC&C), cloud computing, and enterprise information security. Customers are businesses across the public sector, finance, transportation, electric power, energy, commercial businesses, and ISPs (internet service providers).

Consumer Business: Serving more than **500** operators around the world, Huawei's consumer business offers a suite of user-friendly mobile phones, mobile broadband devices and home devices to promote the mobile internet experience for consumers. It aims to become one of the leading mobile phone brands in the world by 2015.

Commitment to Innovation

Every Huawei innovation stems from close interaction with its customers to understand their needs and market demands. Huawei annually invests an average of **10%** into R&D and **44%**, or **62,000** employees are currently engaged in R&D.

In 2011, Huawei increased its R&D investment to USD **3.76** billion, a year-on-year increase of **34.2%**, representing

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CNY 6.2949 RMB =USD 1.00 (as of December 31, 2011; see page 6 of Huawei 2011 annual report)

11.6% of total annual sales revenues. The company also operates a global network of **23** R&D centers, **34** innovation centers jointly operated with customers, and **45** training centers.

In line with its commitment to protect intellectual property rights, Huawei was the third largest Patent Cooperation Treaty applicant in 2011, with **1,831** filings, according to the United Nations World Intellectual Property Organization. As of 2011, Huawei has been granted **23,522** patent licenses, **90%** of which are patents for invention.

As an active contributor and leader in over **130** industry standards organizations, Huawei believes that standards are crucial to the industry, as they encourage the innovation necessary to ensure interoperability, technical convergence, and the ability for our customers to scale their business to meet market demands. As of today, over **28,000** proposals have been filed in aggregate, in 2011 alone Huawei filed over **5,000** standards proposals in total.

Business Highlights in 2011

- Built Centers of Expertise (COEs) around the world to integrate competent resources from all locales in order to serve customers more effectively, for example the microwave global competence Centre in Milan, the supply center in Hungary.
- Launched GigaSite and U2Net solutions to help carriers accommodate massive amounts of data
- Launched Huawei SmartCare service solution, enabling carriers to precisely manage user experiences
- Helped global customers build **20** cloud computing data centers
- Shipped nearly **150** million devices in 2011, including **55** million mobile phones, a **30%** year-on-year increase (nearly 20 million smartphones)

For more information:

Corporate website: www.huawei.com

Twitter: www.twitter.com/huaweipress

YouTube: www.youtube.com/user/HuaweiPress.