

## **Huawei Consumer Business Group Announces 2014 Financial Performance**

*Focus on High-end Premium Smartphone Strategy Results in 30% Y-O-Y Sales  
Revenue Growth to USD 12.2 Billion*

**27 January, 2015:** Huawei Consumer Business Group (BG) today announced its 2014 financial performance. Total sales revenue increased 30% year-on-year to USD 12.2 billion, crossing the ten billion mark for the first time. Shipment grew by 7.8% to a total of 138 million devices in 2014, including 75 million smartphones, representing a year-on-year increase of 45%.

"Our strategy of focusing on premium mid- to high- end products has borne fruit, with 2014 resulting in significant achievements in a number of areas including product R&D, brand awareness, channel development and growth in market share which further consolidated our number three position in the global smartphone market. The global influence of our brand has continued to grow, and Huawei has become the first mainland Chinese company to successfully enter Interbrand's Top 100 Global Brands of 2014 list," said Mr. Richard Yu, CEO of Huawei Consumer BG.

### **Success of Focusing on Premium Mid- to High- End Products**

One of the most notable achievements of 2014 is the shipment contribution of mid- to high-end smartphones which rose to 18%. Huawei P7, one of our premium flagship products, achieved global shipment of 4 million units only six months after it was launched in Paris in May while Huawei Mate7 has been overwhelmingly well-received among business executives in all markets and shipped over 2 million units only three months since its launch in September last year.

### **Rapid Expansion of Open Channels**

Also of note is a significant growth in revenue contribution from open channels (including E-commerce), which accounted for 41% of the total revenue. As of the end of 2014, Huawei Consumer BG has established 630 Huawei branded shops, these factors have contributed to the enhancement of the online and offline retail shopping experience for consumers.

## **Growing Brand Awareness Globally**

The growing popularity of our mid- to high- end smartphones among consumers has been enhanced by internet marketing initiatives, enabling Huawei's brand awareness to continue its expansion around the globe.

A recent consumer survey report from IPSOS, which covered 32 countries, found that Huawei's brand awareness rose from 52% in 2013 to 65% in 2014, meaning that the Huawei brand is recognized by nearly two thirds of in those countries. According to IPSOS, Huawei's Net Promoter Score (consumers who had recommended Huawei handsets to others) reached 43%, placing it among the top three brands in the report. Huawei is also among the top three brands in terms of Brand Momentum which reflect Huawei's success in improving its brand experience for consumers and further strengthen the brand's competitive edge on the global stage.

## **Dual-Huawei And Honor Brand Strategy Creates Synergy**

The Honor brand unveiled by Huawei last year also delivered solid performance in 2014. Shipment of Honor devices reached 20 million units, with Honor 3C series shipping more than 8 million units, Honor 3X series over 4 million units and Honor 6 over 3 million units. By the end of 2014, the Honor brand had established a presence in more than 60 countries and regions around the world.

Huawei Consumer BG has been focusing on mid- to high- end premium devices since 2012. From Huawei P1 to P7 in the P series, from Huawei Mate to Mate7 in the Mate7 series, from Honor 6 to Honor 6 Plus, all of the flagship devices of Huawei Consumer BG aim to differentiate themselves with the extraordinary user experience brought to consumers by Huawei's core competency. P series redefines smartphone design and offers superb cameras; Mate series stands out by its large screen and strong battery life; Honor products provide consumers outstanding connectivity, quality and strong battery life.

Mr. Shao Yang, the Vice-President of Marketing, Huawei Consumer BG said, "The dual-Huawei and Honor brand strategy has proven to be highly successful, creating synergies which have resulted in raising brand awareness and market share of the Huawei Consumer BG as a whole.

The Huawei brand has consolidated its leading position in mid- to high- end smartphone market while the Honor brand has established itself as a bold and popular brand among digital native consumers.”

## **Sustaining the Momentum in 2015**

2015 will be a year of strategic deployment for Huawei Consumer BG, in which we will leverage the opportunities in Internet, the Internet of Things and car networking to achieve breakthroughs in various business areas including products, brand, marketing, channel, retail and e-commerce. Huawei Consumer BG will focus on flagship products brand marketing to establish Huawei’s brand image as a symbol of innovation and high-quality products through its high-end products. The Honor brand will focus on internet business and to replicate its successful online business model to overseas markets.

Mr. Richard Yu, CEO of Huawei Consumer BG, concluded, “Looking ahead, Huawei Consumer BG aims to sustain the growth momentum created in 2014 and further consolidate Huawei’s leading position in the mid- to high- end smartphone market with a 2015 shipment target of 100 million units. With Huawei’s strong technical capability, Huawei Consumer BG will continue to create extraordinary brand experiences to consumers all over the world and realizing dreams for people everywhere.”

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## **About Huawei Consumer BG**

With 16 R&D centers in countries that include Germany, Sweden, the US, France, Italy, Russia, India, and China, Huawei’s products and services extend to over 170 countries, serving one third of the world’s population. In 2014, Huawei’s smartphone global shipment ranked third in the world. As one of Huawei’s three business groups, Huawei Consumer BG offers mobile phones, mobile broadband (MBB) devices and home devices. With more than 20 years of rich expertise in the information and communications technology (ICT) sector, an extensive global network, vast global business operations and network of partners, Huawei Consumer BG is dedicated to bringing the latest technology to consumers, offering a world of possibilities, creating extraordinary experiences and realizing dreams for people everywhere.

For more information, please visit: [consumer.huawei.com](http://consumer.huawei.com)

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