

Leading Players of the Global Mobile Phone Industry

Overview of Groups – SWOTs – Benchmarking
- Company Profiles and Financials











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Apple continues to leverage its premium positioning and retains its lead

Overview of leading mobile phone companies analysed

unit: 2018 smartphone-related revenues in billion euros

Profile	Name	Country	Revenues	Main smartphone families
Divisions of diversified consumer electronics groups	Apple Inc - iPhone		141.15	iPhone
	Samsung Electronics - IT & Mobile Communications		77.50	Samsung Galaxy
	LG Electronics - Mobile Communications		6.14	LG G, LG V, LG Q, LG K
	Lenovo - Mobile Business Group*		6.13	Moto Z, K, K Note
	Sony - Mobile Communications*		5.47	Sony Xperia
	TCL Communication Technology**		1.85	Alcatel, Blackberry
Telecom equipment specialists	Huawei – Consumer**		30.38	Huawei, Honor
	ZTE Corp - Consumer business**		4.51	Blade, Axon
Mobile phone specialists	Xiaomi Corp**		14.68	Mi, Redmi
	HTC**		1.75	HTC U

Source: Xerfi Global with company reports; *2017 revenue; **last fiscal year ended March 31, 2018

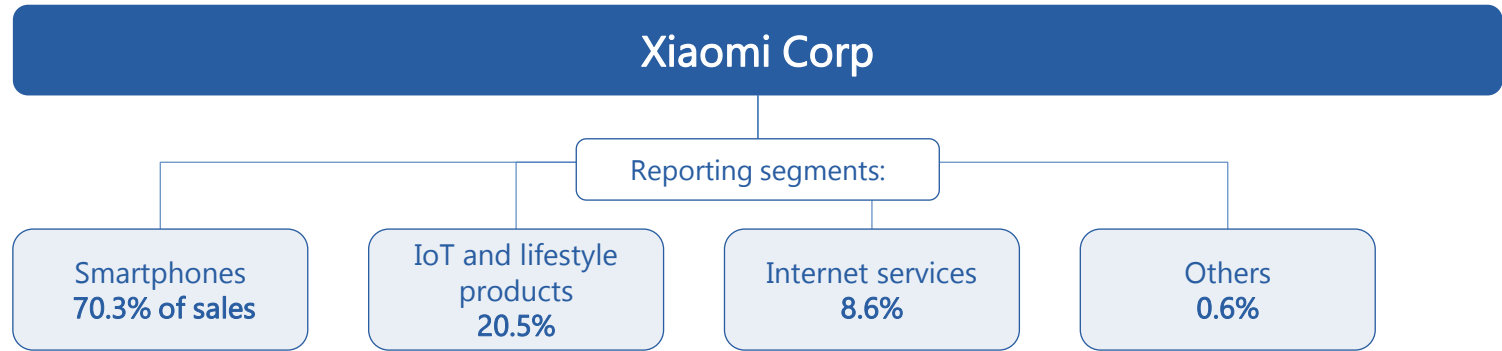


To regain their verve, former leaders have narrowed their focus

SWOT analysis of leading mobile phone companies analysed

COMPANY	STRENGTHS	WEAKNESSES AND RISKS	MAIN STRATEGIC PRIORITIES
Sony - Mobile Communications	<ul style="list-style-type: none"> •Horizontal and vertical integration: leadership in music and film entertainment as well as imaging modules •Well-balanced geographical presence 	<ul style="list-style-type: none"> •High cost manufacturing base •Shrinking consumer electronics businesses, including an ever smaller market share in smartphones 	<ul style="list-style-type: none"> •Reshape the smartphone business by integrating cutting-edge audio and video technologies •Privilege quality over scale in its smartphone business – premium focus
ZTE Corp - Consumer business*	<ul style="list-style-type: none"> •Diversification into telecom equipment reinforces business ties with telecom carriers •Increasing demand for its smartphones in international markets 	<ul style="list-style-type: none"> •ZTE has continued to lose ground in China •Reliance on a narrow customer base (telecom carriers in selected markets) 	<ul style="list-style-type: none"> •Sharpen development and marketing focus on two smartphone families in the high and mid-tier segments •Return to being a top-three smartphone vendor in China within the next three years
TCL Communication Technology	<ul style="list-style-type: none"> •Part of TCL Corp, a diversified consumer electronics groups, ensures synergies •Owner of the Alcatel and BlackBerry brands 	<ul style="list-style-type: none"> •Structurally low profitability as it specialises in entry ranges •Worsening financial results in recent years 	<ul style="list-style-type: none"> •Focus on both hardware and software innovations in smartphones •Revitalise the acquired Alcatel and Blackberry smartphone brands
HTC	<ul style="list-style-type: none"> •Diversification into VR platforms (hardware and content) via Vive •Focus on a narrower range of high-end smartphone series 	<ul style="list-style-type: none"> •Massive smartphone market share loss since 2011 •Rapidly deteriorating sales and operating margin over the past few years 	<ul style="list-style-type: none"> •Build a VR ecosystem around the HTC Vive platform as part of efforts to diversify away from smartphones •Target niche areas (blockchain-technology oriented smartphones)

Source: Xerfi Global



Headquarters

Beijing, China



2017 key figures

Consolidated sales	€14.68bn
Operating margin	10.7%
Capex ratio	1.1%

2017 revenue by region

Mainland China	72%
RoW	28%

- Xiaomi is one of the fast growing smartphone companies globally. It entered the mobile device market in 2011 by selling affordable phones in China.
- While it edged out Samsung as China's leading smartphone vendor in 2014, Xiaomi's popularity has waned over the past few years in the face of competition from Chinese peers such as Huawei, Oppo, and Vivo. It was China's fifth largest smartphone provider in Q4 2018, with a 9% slice of the market.
- Xiaomi shipped 122.4m smartphones in 2018 (2017: 88.9m), for a 7.9% share of the market (2017: 5.8%), and was the fourth largest smartphone vendor globally.
- In 2018, Xiaomi continued its international expansion and began selling smartphones in European countries such as Spain, Italy, France and the UK for the first time.