

INDIA TOPS CHINA TO DRIVE SMARTPHONE VOLUME GROWTH

Growth of smartphone shipments is estimated to slow from 27% in 2014 to 12% in 2015 and 9% in 2016. China was the volume growth engine since 2013. HSBC says shipments will grow at a compound annual growth rate of 26% in India in 2014-2019, followed by 19% in West Asia & Africa, 8% in Latin America & 5% in China.



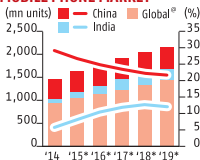
COMPARISON OF INDIA AND CHINA MOBILE PHONE MARKET (2014)



	INDIA	CHINA
Population (bn)	1.3	1.4
GDP per capita (\$)	1,627	7,589
Smartphone penetration rate (%)	29	95
Carrier ARPU (\$)	3-4	8-9
Number of operators	10	3
Average selling price (\$)	135	220

Source: IDC, IMF; ARPU: Average revenue per user

GLOBAL VS INDIA/CHINA MOBILE PHONE MARKET



@Global smartphone shipment excluding India and China *Estimates

Source: IDC, HSBC

INDIA SMARTPHONE MARKET GROWTH POTENTIAL

	2014*	2019**	2014-2019* CAGR (%)
India	80.6	259.2	26.2
West Asia & Africa	110.4	263.6	19.0
Brazil	56.5	84.7	8.4
Russia	27.5	41.1	8.4
China	420.7	523.3	4.5
Western Europe	145.8	177.8	4.1
Canada	10.7	12.4	3.0
US	161.9	160.8	-0.1

* Million units *Estimates
Source: IDC, HSBC
Global Research