SmarTone

News Release

SmarTone and SANYO Announce Strategic Collaboration on 3G Handsets

(Hong Kong, 9 November 2004) SmarTone, Hong Kong's leading mobile operator in multimedia services, announced today that it is collaborating with SANYO Electric Co., Ltd to co-develop 3G handsets for Hong Kong customers. This strategic collaboration is an important part of SmarTone's

commitment to providing faster, richer multimedia services for customers in the 3G environment.

"We are very pleased to be partnering with SANYO, a global leader in consumer and digital electronics, as well as the largest supplier of CDMA phones in Japan," said Mr. Douglas Li, Chief Executive Officer of SmarTone. "SANYO and SmarTone share a common vision of creating superior solutions to enrich the lives of customers and their lifestyles. SmarTone will leverage on its experience gained in co-developing and marketing top-end 2.5G handsets, and SANYO's unrivalled

know-how to bring high-value, advanced 3G UMTS handsets to Hong Kong customers."

SANYO is the world's largest maker of digital cameras. It also leads the global market in LCD projectors and optical pick-ups and has top market share in some 40 types of semiconductors. Its rechargeable batteries dominate the world market and power half the world's mobile phones. With its global leadership in digital cameras, video technologies and power storage and energy management, all of which are key ingredients for mobile multimedia, SANYO will bring world-class, unmatched

expertise to the partnership.

Mr. Takenori Ugari, Senior Officer of SANYO Electric Co., Ltd and President of Telecom Company, said, "SmarTone is a leading mobile operator in multimedia services in Hong Kong and is committed to delivering real value to customers. We look forward to a close and rewarding relationship with SmarTone throughout the design, production and marketing of the SANYO handsets. This strategic collaboration with SmarTone is the latest addition to our key cooperation with leading operators in the world on 3G handsets."



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The first SANYO 3G handset model exclusive to SmarTone, the S103, offers a megapixel camera and a QVGA display, and will be launched in early 2005. The two companies are already working on future models which will be available to the Hong Kong market later in 2005.

SANYO customised handsets best suited to SmarTone's 3G services will deliver a superior experience to customers, helping them maximize the full potential of 3G. "This will further fulfill our promise of what 3G must deliver to customers: the ability to **G**et it Faster, **G**et it Richer and **G**et it Anywhere," added Mr. Li.

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For enquiries, please contact:

Ms. Alice Li General Manager – Corporate Communications

Tel: +852 3128 2255 / 9093 0218

Ms. Eleanor Chan Assistant Manager – Corporate Communications

Tel: +852 3128 2250 / 9664 7613