

Huawei 2015 profit jumps 32 percent on smartphone demand

April 1 2016

Huawei Technologies Ltd., one of the biggest makers of telecoms equipment, said Friday its 2015 profit jumped 32 percent on strong sales of smartphones and switching gear as carriers upgraded wireless networks to 4G.

Huawei said it earned 36.9 billion yuan (\$5.7 billion) on global revenue of 395 billion yuan (\$60.8 billion).

Huawei, the first Chinese company to break into the top ranks of global technology providers, is privately held but releases annual results in an attempt to ease concern in the United States and some other countries that it might be a security risk.

The company, based in the southern Chinese city of Shenzhen, said sales of smartphones and other consumer technology rose 73 percent to 129.1 billion yuan (\$19.9 billion).

Founded in 1987 as a maker of switching gear, Huawei launched a smartphone brand in 2009. It passed Chinese rival Lenovo last year to become the No. 3 smartphone brand behind Samsung and Apple by handset shipments, according to IDC. Huawei said earlier it shipped 108 million smartphones last year, the first Chinese brand to pass the 100 million mark.

Sales of network gear rose 21 percent to 232.3 billion yuan (\$35.8 billion) as telecoms carriers upgraded to fourth-generation mobile

service.

Huawei competes with Finland's Nokia Corp. and Sweden's LM Ericsson in network gear and wireless base stations.

Huawei has China's biggest corporate research and development budget and said spending on that rose 46 percent last year to 59.6 billion yuan (\$9 billion).

© 2016 The Associated Press. All rights reserved.

Citation: Huawei 2015 profit jumps 32 percent on smartphone demand (2016, April 1) retrieved 26 April 2024 from

<https://phys.org/news/2016-04-huawei-profit-percent-smartphone-demand.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.