



Wireline Networks in Greater China

Our major markets in Greater China continue to generate exciting opportunities for Nortel Networks, and recently announced contracts and trials with our Wireline Networks portfolio demonstrate the great momentum we're seeing in the region.

This area of the world has been and continues to be key in the transition to packet-switched networks. This is due to several factors, among them the sheer market size plus the greenfield network opportunities that deregulation is bringing to the region. Also, high broadband adoption is driving the need for advanced features and services that can be most effectively delivered over a packet infrastructure.

Our Succession Local Voice over IP solution for Hong Kong Broadband, for example, has produced one of the largest VoIP networks in the world with growth to over 120,000 subscribers in less than a year, representing another proof point in Nortel Networks leadership in VoIP.

We can point to many successes that include not just contract wins, but also competitive advantages such as being the first foreign telecommunications supplier to be awarded softswitch network deployment certification in China.

We've continued to build strong momentum in Passport (*China Telecom, China Railcom, China Unicom*) and Shasta (*China Telecom, China Netcom, China Unicom*), while growing customer engagement with our Carrier Next Generation Networks offerings (*Hong Kong Broadband, China Railcom, China Netcom and China Telecom*). We're aligned behind our strategic priorities for the region, among them to penetrate key strategic accounts with our Succession and Multimedia Communications Portfolios, build our packetization business with Succession solutions, and drive incremental TDM and Passport business.

Service providers worldwide are facing the challenge of generating profitable revenue in environments with tight capital constraints, and this region is no exception. Our Wireline Networks portfolio helps drive new top line revenue opportunities that PTTs and alternate operators can offer to their enterprise and residential customers.

The footprint we've achieved across Greater China spans our Wireline Networks portfolio. With every trip I make to meet with customers throughout the region, I am reminded just how great our market opportunity really is!

Sue Spradley

Wireline Networks