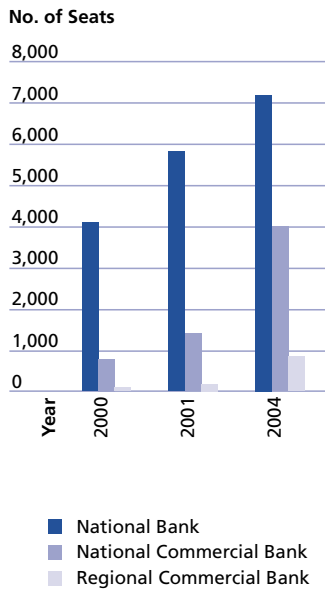


**Table 4: Overall Status of China Call Centre Market in 2000**

Business Nature	No. of Seats	Percentage	Total <i>(in billion)</i>	Percentage
Telecommunication	52,000	65.56%	33.50	40.08%
Banking	5,000	6.31%	25.00	29.91%
Insurance	2,000	2.52%	3.50	4.19%
Securities	257	0.33%	0.40	0.48%
Postage	1,600	2.02%	0.56	0.67%
Government	620	0.78%	0.52	0.62%
Legal	2,400	3.03%	0.72	0.86%
Power	900	1.13%	2.75	3.29%
Computer	1,360	1.72%	1.36	1.63%
Home Appliance	400	0.50%	1.00	1.20%
Distance Shopping	550	0.69%	0.38	0.45%
Manufacturing	1,474	1.86%	1.50	1.79%
Out Sourcing	3,200	4.03%	3.50	4.19%
Out Sourcing Equipment				
Investment	1,250	1.58%	1.43	1.70%
Others Services	2,334	2.94%	2.30	2.75%
Related Business	—	—	1.00	1.20%
Others	3,966	5.00%	4.17	4.99%
<b>Total</b>	<b>79,311</b>	<b>100%</b>	<b>83.59</b>	<b>100%</b>

Source: CTI Forum

Forecast of Banking Call Centre Market



Source: CTI

Table 5: China Banking Call Centre Investment

Type of Banking	No. of Seats	Total Investment (Unit: 10k Rmb)
National Bank	4,125	206,250
National Commercial Bank	785	39,250
Regional Commercial Bank	90	4,500
Total	5,000	250,000

Source: CTI Forum

**Broadband Access.** The Company is actively exploring opportunities in the area of providing local broadband access service and related VAS. The Company corporate shareholders are major players in the fiber optic backbone, metro core, DSL, cable modem, satellite businesses. This provides the Company with attractive opportunities to build around such networks broadband access services using Ethernet LAN, DSL, Home PNA, or cable modem technologies. The Company expects that the development of such services will benefit from the growth in internet use, rising income and improved affordability, and increased demand for high-quality experience. It also believes that such business will have the potential of providing total communications services to end customers. Again, the participate of such services will also pending upon the entry of China into WTO.

Table 6: Monthly Income of Individual Internet users (RMB)

Below 500	501-1,000	1,001-1,500	1,501-2,000	2,001-2,500	2,501-3,000
15.31%	25.94%	15.81%	7.54%	4.05%	3.49%
3,001-4,000	4,001-5,000	5,001-6,000	6,001-10,000	Above 10,000	N/A
2.93%	1.80%	1.61%	0.53%	0.57%	16.35%
Uncertain					
4.07%					

Source: CNNIC

**Table 7: Most Important Factors to Select ISP**

Connecting Speed	42.25%
Quality Service	23.53%
Price	25.15%
Familiar	6.29%
Others	2.78%

Source: CNNIC

**Software and Integrated Solutions.** The Company will focus on developing a business by acquiring and integrating promising R&D teams, products and technologies, and catering primarily to high-end carrier users. The Company intends to supply integrated solutions such as network management solutions, network security services, messaging and billing software products, to support network expansions, especially those of the Company's telecom corporate shareholders.

**Table 8: China Computer Market Forecast in 2000**

Factors	1999			2000		
	Sales Revenue (in 100 million RMB)	Increment (%)	Weight	Sales Revenue (in 100 million RMB)	Increment (%)	Weight
Hardware	1,305.5	13.0	75.9	1,510.0	15.7	73.6
Software	176.0	27.5	10.2	225.0	27.8	11.0
Information Services	238.5	27.5	13.9	315.0	32.1	15.4
Total	1,720.0	16.2	100.1	2,050	19.2	100.0

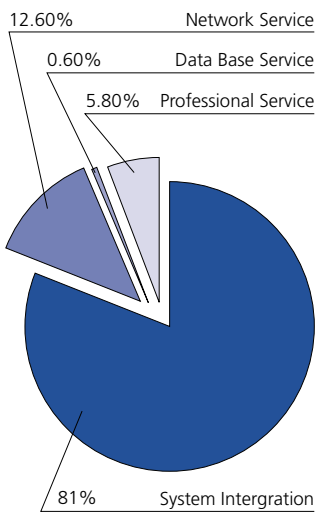
Source: Southern Securities

**Table 9: China Software Sales Revenue in 1996-2000**

Year	Sales Revenue (in 100 million RMB)	Increment Percentage
1996	92	35.3%
1997	112	21.7%
1998	138	23.2%
1999	176	27.5%
2000	225	27.8%

Source: Southern Securities

**China Information Service  
Market Structure in 2000**



**Table 10: China Telecommunication Service Market Structure in 2000**

Market Structure	% of Weight (%)
System Integration	81.0
Network Service	12.6
Data Base Service	0.6
Professional Service	5.8
Total	100.0

Source: Southern Securities