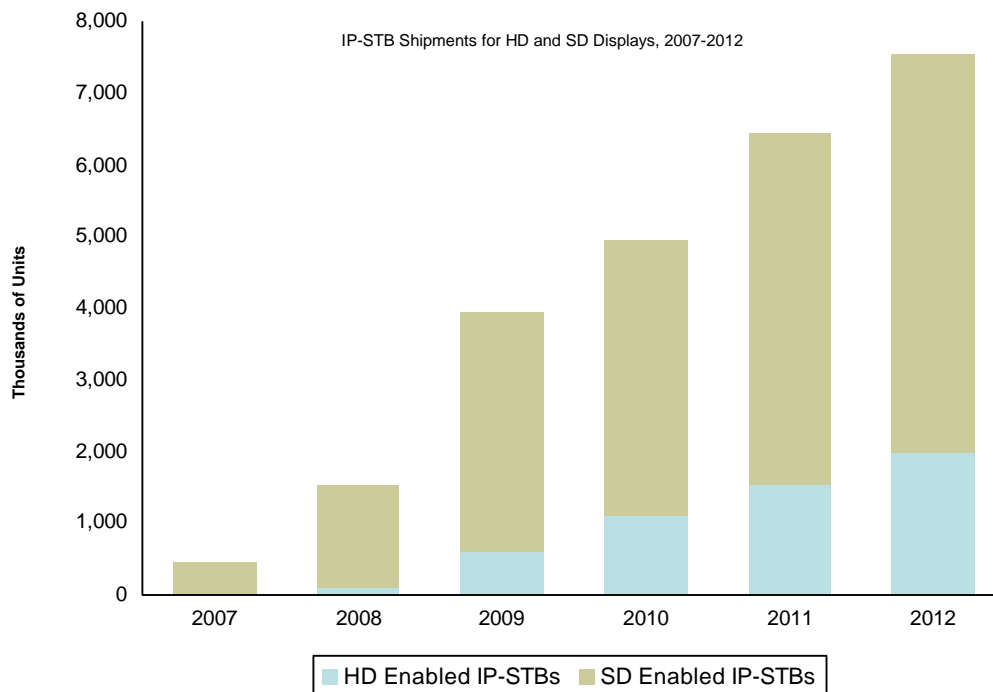


IPTV Progresses in China Despite Commercial Challenges

By Loren Zhao, Industry Analyst

China Research – Q3 2008 Topical Report

HD IPTV Deployment in China Must still Overcome Limitations



While Internet Protocol Television (IPTV) has been the global talk of the town, in China for the foreseeable future, standard definition Set-Top Boxes (SD-STBs) will continue to be the mainstream product through at least 2012. This year's Olympic Games emerged as a special opportunity for HDTV development in China, however, for the most part SD-STBs still rule the country.

Large scale HD IPTV deployment depends on when existing content and bandwidth reach a critical point where they are no longer limited as to what they can deliver and to whom. This report will examine the limitations placed on IPTV currently and what is being done to overcome these limitations in order for the technology to achieve its potential.

Critical Questions Answered

- ❑ How will China's IPTV industry develop in 2008 and beyond?
- ❑ Who will be the main operators in China's IPTV market?
- ❑ What are the main obstacles that must be overcome to drive the adoption of IPTV?
- ❑ What strategies will IPTV providers use to compete with digital television (DTV) and other alternative technologies?

Who Should Read This Report?

- ❑ IPTV Operators
 - Marketing
- ❑ Fabless / Foundry
 - Sales
- ❑ IP-STB OEMs
 - Procurement
- ❑ Financial Community

IPTV Progresses in China Despite Commercial Challenges

China Research – Q3 2008 Topical Report

Forecast

- Frequency, Time Period
 - 5-year annual
- Measures
 - Unit Shipments
 - Revenue
 - ASPs
- Regions and Markets Covered
 - China
- Detail Level
 - by domestic and export sales
 - by SD and HD STBs
 - by IPTV operators and carriers

Technologies Covered

- Decoding Technology

Applications/Products Covered

- IP-STB
- IPTV Systems

Loren Zhao, Industry Analyst

Loren is the industry analyst of iSuppli China Research. He is responsible for the research and analysis of China's wireline telecommunication market including broadband access networks, next generation networks and optical networks.

Prior to joining iSuppli, Loren worked for Alcatel Shanghai Bell as a product manager on broadband access networks. Prior to Alcatel, Loren served as a product engineer on network equipment at SVA, a leading telecommunication equipment manufactory in China.

Loren holds a Bachelor of Science in Communication and Information Engineering from Shanghai University, PRC.

Table of Contents

Executive Summary
 Findings and Implications
 IPTV Definitions
 China IPTV Market Overview
 IPTV Market Strategy
 IPTV Technology Trends
 IPTV Revenue

List of Figures

Figure 1: China IPTV ARPU Forecast, 2007-2012
 Figure 2: China IPTV Subscribers, 2007-2012
 Figure 3: Current and Future China IPTV Architecture
 Figure 4: Future IPTV STB Functionality
 Figure 5: China IPTV CAPEX by Equipment Type, 2007-2012
 Figure 6: IP-STB Shipments for HD and SD Displays, 2007-2012

List of Tables

Table 1: IPTV Deployments of China's IPTV Licensees
 Table 2: China Telecom and China Netcom IPTV Subscribers
 Table 3: China Telecom 2008 IPTV Contract Bidding Results
 Table 4: China IPTV Subscribers Forecast, 2007-2012
 Table 5: IPTV Comparison with DTV
 Table 6: IP-STB Semiconductor Consumption, 2006-2012