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## [China Unicom and China Netcom Are Officially Merging](#)

*The companies will become China Unicom (Hong Kong) Limited*



China Unicom and  
China Netcom logos  
China Unicom / China  
Netcom

China Unicom, the second largest mobile carrier in the Asian country, announced that its merger with China Netcom, a leading Chinese provider of fixed telephony and Internet services, has been approved by the shareholders of both companies.

The news comes after China Unicom has also said that its CDMA mobile division will be sold to China Telecom, transferring no less than 43 million customers to the latter. China Unicom will be left with about 125 million GSM subscribers, as well as with the customers of China Netcom.

Effective as of October 15, the merger between China Unicom and China Netcom will result in the establishment of a new, leading Chinese telecommunications company that will be named "China Unicom (Hong Kong) Limited." Most of the integration work between the two Chinese companies should be completed in about one year after the merger.

"We are pleased that shareholders support the proposed merger between China Unicom and China Netcom," stated Mr. Chang Xiaobing, chairman and chief executive officer of China Unicom. "I believe that the transaction will enable the merged group to become a world-class provider of broadband communications and information services, to offer better products and services to our customers and create greater value for shareholders."

Mr. Zuo Xunsheng, chairman and CEO of China Netcom, added, "The shareholders' votes in favor of the proposed merger between China Unicom and China Netcom have shown that they believe the merger will enhance the competitive strengths and expand the prospects of the two companies. We will be better positioned to seize the opportunities presented by the upgrade of China's telecom sector, by providing integrated telecom services and by consolidating resources."

With more than 560 million mobile subscribers, China is by far the largest telecommunications market in the world. The new company created by China Unicom and China Netcom will have the goal of further expanding and enhancing the Chinese mobile market.