

## **ZTE Expects to At Least Double Profit on Strength of Network Contracts**

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ZTE's focus on higher-margin network contracts will reportedly help the company "[at least double](#) [1]" its first-quarter profit.

ZTE today announced it expects net profit to land between \$68 million and about \$102 million, marking an annual increase between 107.3 percent and 210.7 percent.

Noting the new focus, ZTE highlighted the increase to overall revenue stemming from 4G infrastructure systems in China and pointed out that gross profit margins for international projects improved.

"ZTE is optimistic about the company's business prospects as global 4G network deployments accelerate and demand for 4G mobile devices increase," the company said in a statement.

Net profit for ZTE's principal business is expected to be more than \$93 million compared to a loss of nearly \$99 million in the same quarter a year ago.

ZTE in January announced [an organization restructuring](#) [2] geared toward focusing on "key strategic operations and high-growth business opportunities." As part of the initiative, ZTE Mobile Devices was spun off as an independent unit from the rest of the company.

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<http://www.wirelessweek.com/news/2014/04/zte-expects-least-double-profit-strength-network-contracts>

**Links:**

[1] [http://www.businesswire.com/news/home/20140410005558/en/ZTE-Quarter-Profit-Surge-4G-Orders-Lift#.U0aoD\\_IdWVM](http://www.businesswire.com/news/home/20140410005558/en/ZTE-Quarter-Profit-Surge-4G-Orders-Lift#.U0aoD_IdWVM)

[2] <http://www.wirelessweek.com/news/2014/01/zte-restructuring-focus-mobile-operators>