



SinoHub Receives First 3G Phone Order from China Unicom

Private Label Phones for China Unicom Marks SinoHub's Initial Move into the World's Largest Mobile Phone Market

SHENZHEN, China, January 7, 2011 - SinoHub, Inc. (NYSE Amex: SIHI), a rapidly growing electronics company in the People's Republic of China, engaged in electronic component purchasing and sales (ECP), integrated contract manufacturing and sales of private label mobile phones (ICM), and supply chain management (SCM) services, announced today that it has received an initial order to manufacture 20,000 3G mobile phones for China Unicom. The Company expects to ship the order in the first quarter of 2011.

"We are excited to receive our first order from China Unicom, marking our initial penetration into the growing 3G mobile phone sector mainland China," Harry Cochran, CEO of SinoHub, stated. "Our ability to produce a high-quality 3G mobile phone at a competitive price was a driving factor for SinoHub in securing this order. As it turns out, the design for these mobile phones comes from one of our long time supply chain management customers, so we think this is a great example of our ability to leverage strong relationships with mobile phone design houses. As we expand the number of reference designs we offer while further improving our online joint design process platform, we see significant opportunities to expand our relationship with China Unicom and other customers worldwide."

China Unicom is the second largest mobile phone operator in China, with approximately 166 million subscribers at the end of November 2010, including 12.8 million 3G subscribers. China Unicom currently operates its cellular business in 31 provinces, municipalities and autonomous regions in China. While popular phones from branded manufacturers such as Apple, Nokia and Samsung are available in all of its local China Unicom stores, the price points of these branded manufacturer's phones are significantly higher than the prices for the private label phones offered by China Unicom. Each store carries a limited selection of mobile phone designs customized for various geographic areas and the store owners are embracing the opportunity to market these high-quality, functional phones at attractive price points, which will accelerate customer adoption while providing higher profit margins on handset sales. SinoHub is one of the only original design manufacturers producing China Unicom-branded 3G phones.

SinoHub will initially produce one model 3G phone with dual-SIM (WCDMA+GSM) cards for China Unicom retail stores in several locations in China. The Company will use a license purchased from a third party as it is currently working through the license process with Beijing to sell phones directly to the Chinese market. Management anticipates obtaining approval to sell directly to all domestic wireless carriers towards the end of 2011.

"We are receiving a very positive response to our joint design model which equips our mobile phone customers with competitive features and price advantages in their respective markets," stated Lei Xia, President of SinoHub. "We are seeing a rising demand from China Unicom and other large wireless service providers for private label phones and have ramped up our capacity in anticipation of the rapid growth we anticipate in 2011."

About China Unicom

China Unicom (Hong Kong) Limited, through its subsidiaries, engages in the provision of GSM and WCDMA cellular and related telecommunications services in the People's Republic of China. The company offers cellular and fixed-line voice and related value-added services, broadband and other Internet-related services, information communications technology services, business and data communications services, and domestic and international long distance and related services. Its 3G services include mobile Internet, mobile music, mobile TV, video handsets, mobile newspapers, and 3G data cards. As of December 31, 2009, it served approximately 144.8 million GSM subscribers in 31 provinces, municipalities, and autonomous regions; and 38.6 million fixed-line broadband subscribers in 335 cities in the Mainland China. The company also offers its services in the United States, Japan, and the United Kingdom.

About SinoHub

SinoHub, Inc., founded in 2000 by veteran entrepreneur Harry Cochran and electronics industry veteran Lei Xia to play a part in the electronics revolution in China, provides virtual contract manufacturing, electronic component purchasing, and world-class supply chain

management services with transparent information access for participants in the electronic components supply chain in China. SinoH conducts substantially all of its operations through its wholly-owned subsidiary SinoHub Electronics Shenzhen Limited in the People's Republic of China and its wholly-owned B2B Chips subsidiary in Hong Kong, which offers electronic component purchasing and virtual contract manufacturing services currently focusing on the mobile phone market. For more information, visit the Company's Web site at www.sinohub.com and the B2B Chips Web site at www.b2bchips.com.

Cautionary Statement Regarding Forward-looking Information

Some of the statements contained in this press release that are not historical facts constitute forward-looking statements under the federal securities laws. Forward-looking statements can be identified by the use of the words "may," "will," "should," "could," "expects," "plans," "anticipates," "believes," "estimates," "predicts," "intends," "potential," "proposed," or "continue" or the negative of those terms. These statements involve risks known to the Company, significant uncertainties, and other factors, many of which cannot be predicted with accuracy and some of which may not even be anticipated, which may cause actual results, levels of activity, performance, or achievements to be materially different from any future results, levels of activity, performance, or achievements expressed or implied in those forward-looking statements. Such risks, uncertainties and factors include, but are not limited to, the Company's ability to expand its customer base, the ability to access capital for such expansion, assumptions concerning future economic and competitive conditions and other factors detailed from time to time in the Company's filings with the United States Securities and Exchange Commission. Readers are cautioned not to place undue reliance on these forward-looking statements. The Company undertakes no obligation to update or revise any forward looking statements, whether as a result of new information, future events or otherwise.

CONTACTS:

SinoHub, Inc.
Grace Wang
+86-755-2661-1080
grace.wang@sinohub.com

In the U.S.:
HC International, Inc.
Ted Haberfield
+1-760-755-2716
thaberfield@hcinternational.net

1/7/2010 21:19:12

Tel: +86-755-2661-2106 , 2661-2109 Fax: +86-755-2661-2060
Address: 6/F, No. 5 Qiongyu Road, Central Area, Technology Park, Nanshan District, Shenzhen, China
©2008 SinoHub, Inc. All rights reserved.