



CHINA MOBILE (HONG KONG) LIMITED

(Incorporated in Hong Kong with limited liability under the Companies Ordinance)

(Stock code: 941)

ANNOUNCEMENT

The unaudited financial data of the Group for the first quarter of 2005 reflected:

- Operating revenue reached RMB54.859 billion, up by 30.2% over the same period last year
- EBITDA of RMB29.624 billion, up by 22.0% over the same period last year
- Net profit of RMB11.246 billion, up by 19.8% over the same period last year

In accordance with the Company's disclosure policy and to further enhance the transparency of the Group and timely provide additional information with which shareholders, investors and the general public may better appraise the business and financial position of the Group, the board of directors (the "Board") of China Mobile (Hong Kong) Limited (the "Company", together with its subsidiaries, the "Group") announces certain selected unaudited key performance indicators of the Group for the first quarter of 2005.

SELECTED UNAUDITED KEY PERFORMANCE INDICATORS

Financial Data (Note 1, Note 2)

	For the period from 1 January 2005 to 31 March 2005	For the period from 1 January 2004 to 31 March 2004	Increase
Operating Revenue (RMB)	54.859 billion (equivalent to approximately HK\$51.754 billion)	42.143 billion (equivalent to approximately HK\$39.758 billion)	30.2%
EBITDA (RMB)	29.624 billion (equivalent to approximately HK\$27.947 billion)	24.286 billion (equivalent to approximately HK\$22.911 billion)	22.0%
EBITDA margin	54.0%	57.6%	
Net profit (RMB)	11.246 billion (equivalent to approximately HK\$10.609 billion)	9.389 billion (equivalent to approximately HK\$8.858 billion)	19.8%
Net Profit margin	20.5%	22.3%	

Note 1: The above unaudited financial data is prepared in accordance with the generally accepted accounting principles in Hong Kong. The financial data of the Group for the first quarter of 2005 included the results of the Company and its subsidiaries, including the 31 provincial mobile companies, while the financial data for the first quarter of 2004 included the results of the Company and its original subsidiaries, including the 21 provincial mobile companies.

Note 2: The Hong Kong Institute of Certified Public Accountants has issued a number of new and revised Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards ("New HKFRSs"), which are effective for accounting periods beginning on or after 1 January 2005. The above unaudited financial data has recognised the impact of New HKFRSs.

Operational Data

	As at 31 March 2005/ For the period from 1 January 2005 to 31 March 2005	As at 31 December 2004/ For the period from 1 October 2004 to 31 December 2004	As at 30 September 2004/ For the period from 1 July 2004 to 30 September 2004
Number of Subscribers	213.87 million	204.29 million	194.38 million
Net increase in subscribers for the relevant reporting period	9.58 million	9.91 million	8.91 million
Average Revenue per User per Month (ARPU) during the relevant reporting period (RMB/User/Month)	89	91	90
Total Usage for the relevant reporting period (Minutes)	196.48 billion	188.27 billion	170.37 billion
Average Usage per User per Month (MOU) during the relevant reporting period (Minutes/User/Month)	318	313	297
Average Revenue per Minute of Usage during the relevant reporting period (RMB)	0.279	0.290	0.302
Number of Users of Mobile Data Services	174.00 million	156.83 million	147.09 million
Short Message Services Usage Volume for the relevant reporting period (Messages)	59.1 billion	62.8 billion	40.0 billion
Network Capacity (Users)	254 million	244 million	226 million
Network Utilization Rate	84.2%	83.6%	86.0%
Number of Employees	90,771	88,127	85,621
Labour Productivity (Subscribers/Employee)	2,356	2,318	2,270

By leveraging the advantages of scale that result from the Group being the market leader in Mainland China's mobile telecommunications industry, by ceaselessly pursuing refined management techniques, and benefiting from the contribution from the 10 provincial mobile companies that were acquired on 1 July 2004, the Group achieved favourable financial results for the first quarter of 2005, notwithstanding the competitive market environment. The Group's operating revenue reached RMB54.859 billion, representing an increase of 30.2 per cent. compared to the same period of last year. EBITDA reached RMB29.624 billion, representing an increase of 22.0 per cent. compared to the same period of last year. EBITDA margin was maintained at a high level of 54.0 per cent. Net profit reached RMB11.246 billion, representing an increase of 19.8 per cent. compared to the same period of last year.

By leveraging its premium and efficient network and significant brand advantages, refining its management methods, adopting effective marketing strategies, delivering personalised services, and focusing on innovation and developing new businesses, the Group continued to make encouraging progress in developing its business and recorded favourable subscriber growth in a competitive environment during the first quarter of 2005. As at 31 March 2005, the Group's subscribers (including all 31 provincial mobile companies) reached 213.87 million. Owing to the robust subscriber growth, which was primarily comprised of low ARPU customers, the Group's ARPU for the first quarter of 2005 declined moderately. However, during the period, the decline in average revenue per minute of usage has been relatively better controlled. New businesses have sustained rapid and stable growth and the contribution of new businesses to operating revenue has further increased. Operating revenue continued to record favourable growth.

The Group will continue to fully leverage its leading position in Mainland China's mobile telecommunications industry and its economies of scale, further integrate its brands catering to different target customer segments, aggressively develop mobile data and other new businesses, and strengthen the classification of voice usage volume promotion. The Group will unswervingly pursue business and service innovation, strive to consolidate its leading market position and maintain its sound fundamentals and sustainable development, with a view to generating greater value for its shareholders. Within a competitive environment, the Group will continue to promote orderly and rational competition and strive to foster a healthy environment for further industry development. This will better serve the long-term interests of consumers, operating companies and investors.

The Board wishes to remind investors that the above key performance indicators are based on the Group's unaudited management accounts. Investors are cautioned not to unduly rely on such data.

In the meantime, investors are advised to exercise caution in dealing in the securities of the Company.

For your convenience, this announcement contains translation between Renminbi amounts and Hong Kong dollars at RMB1.06 = HK\$1.00. The translations are not representations that the Renminbi and Hong Kong dollar amounts could actually be converted at this rate, or at all.

As at the date of this announcement, the Board of Directors of the Company is comprised of Mr. Wang Jianzhou, Mr. Li Yue, Mr. Lu Xiangdong, Mr. Xue Taohai, Mr. Zhang Chenshuang, Madam Li Mofang, Mr. He Ning, Mr. Li Gang and Mr. Xu Long as executive directors, Dr. Lo Ka Shui, Mr. Frank Wong Kwong Shing and Mr. Moses Cheng Mo Chi as independent non-executive directors and Sir Julian Michael Horn-Smith as non-executive director.

By Order of the Board
China Mobile (Hong Kong) Limited
Wang Jianzhou
Chairman and Chief Executive Officer