

**China Mobile (Hong Kong) Limited Announced its 2002 Results
Strong Business Growth and Satisfactory Financial Results Achieved**

China Mobile (Hong Kong) Limited ("CMHK" or the "Company", together with its subsidiaries, the "Group") announced today its results for 2002. In the past year, the Company unswervingly pursued complementary development strategies of organic and external growth, focusing exclusively on its core mobile telecommunications business. The Company spearheaded the top ranks in the global industry in such aspects as network quality, network scale and subscriber base. The Company maintained the lead within the domestic industry in such areas as new business offerings, customer satisfaction and international and local roaming. The Company maintained strong growth in its business and achieved satisfactory financial results. During the year, the Company successfully completed the acquisition of Anhui Mobile and the rest of eight mobile telecommunications companies, with strong growth potential in Mainland China, and achieved significant economies of scale.

The financial results of the Company were satisfactory. Through effective management and the implementation of more stringent cost controls, economies of scale and operational synergies were further enhanced. In 2002, the Group's operating revenue reached RMB128.6 billion, representing an increase of 28 per cent. compared to that of 2001. EBITDA reached RMB77.3 billion, representing an increase of 28 per cent. compared to that of 2001. Net profit reached RMB32.7 billion, representing an increase of 17 per cent. compared to that of 2001. The Group's earnings per share was RMB1.71, representing an increase of 13 per cent. compared to that of 2001.

For ease of comparison, on the assumption that the acquisition of the eight mobile telecommunications companies in 2002 was completed on 1 January 2001, the Group's 2002 Pro-forma Combined operating revenue reached RMB143.8 billion, representing an increase of 14 per cent. compared to that of 2001. Pro-forma Combined EBITDA reached RMB85.3 billion, representing an increase of 17 per cent. compared to that of 2001. Pro-forma Combined EBITDA margin was 59.4 per cent. Pro-forma Combined net profit reached RMB34.1 billion, representing an increase of 20 per cent. compared to that of 2001.

Despite the intensified competition in the telecommunications market in Mainland China during the past year, CMHK maintained its established position as the only operator in Mainland China exclusively specialized in the business of mobile telecommunications. By leveraging a multitude of competitive advantages, CMHK provided premium quality services, launched personalized products, increased customer satisfaction and maintained continued steady growth in its business. As at 31 December 2002, the Group had an aggregate subscriber base of 117.7 million and total usage volume reached 260.1 billion minutes, securing its established position as market leader. At the same time, based on the momentous growth of the Group's new mobile businesses, principally Short Message Services, and the increasingly sophisticated and established "Monternet", the Company captured the first-mover advantage to introduce a rich variety of new mobile data businesses, such as Multi-media Message Service (MMS) and "e-Freedom", which have become vigorous drivers of revenue growth. Revenue from new businesses increased dramatically, in comparison to the 2001 Pro-forma Combined figure, the Pro-forma Combined revenue from new businesses for 2002 increased by 143 per cent.

The Company holds the interests of, and returns achieved for, its shareholders, especially minority shareholders, in the highest regard. Taking into account such factors as the Company's business growth, financial position and cash flow, the Board is of the view that the Company has sufficient cash flow and financial strength to support its long-term development targets and to make a cash payout to shareholders. Having also considered the need to maintain sufficient financial resources and the capability to complete future acquisitions and investments in quality assets and a possible share buyback under appropriate circumstances, with a view to generating the best possible return for shareholders, the Board recommends the first ever payment of a final dividend of HK\$0.32 per share for the financial year ended 31 December 2002, representing a dividend payout ratio of 20 per cent. The Company will endeavor to achieve a sustainable, steadily increasing dividend, with a view to generating the best possible return for shareholders.

As for future development strategies, Mr. Wang Xiaochu, CMHK's Chairman and Chief Executive Officer, expressed his observation that Mainland China's economy has maintained a pace of development that is higher than that of many other regions in the world, and the demand for telecommunications services remains exuberant. In terms of mobile telecommunications, China has become the world's largest mobile telecommunications market. With a relatively low mobile telecommunications penetration rate, the market potential for development is enormous. Mr. Wang stated, "the Company will, on a consistent basis, focus exclusively on the mobile telecommunications business, enlarge our subscriber base, maintain our solid financial position, further enhance corporate governance and management efficiency, and consolidate our position as the market leader in the competition, to provide high quality services to its customers and generate greater value for our shareholders."

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Forward-looking Statements

Certain statements contained in this document may be viewed as "forward-looking statements" within the meaning of Section 27A of the U.S. Securities Act of 1933, as amended, and Section 21E of the U.S. Securities Exchange Act of 1934, as amended. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual performance, financial condition or results of operations of China Mobile (Hong Kong) Limited (the "Company") to be materially different from any future performance, financial condition or results of operations implied by such forward-looking statements. Further information regarding these risks, uncertainties and other factors is included in the Company's most recent Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission (the "SEC") and in the Company's other filings with the SEC.

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