

**China Mobile (Hong Kong) Limited Announced
2004 Annual Financial Results**
**Achieving outstanding overall operational performance and commendable
financial results, maintaining leading position in Mainland China's mobile
telecommunications market**

- Consolidated turnover reached RMB192.4 billion, up by 21.3%
- Consolidated EBITDA of RMB107.2 billion, up by 16.2%
- Consolidated net profit of RMB42.0 billion, up by 18.1%
- Total subscribers exceeded 204.2 million, up by 44.3%
- Pro-forma combined turnover of RMB204.0 billion, up by 13.9%
- Pro-forma combined EBITDA of RMB113.1 billion, up by 11.2%
- Sustained high pro-forma combined EBITDA margin of 55.4%
- Pro-forma combined net profit of RMB43.2 billion, up by 15.3%
- Payment of a final dividend of HK\$0.46 per share

China Mobile (Hong Kong) Limited (referred to below as "China Mobile (Hong Kong)" or the "Company", and together with its subsidiaries, the "Group") (HKEx: 941) (NYSE: CHL) announced its 2004 annual financial results today.

In 2004, the Company unswervingly pursued the complementary development strategies of organic and external growth, fully utilized the Company's competitive advantage in terms of scale, network, business and service, implemented refined management methods and enhanced execution capability. Even with fairly intensive market competition, the overall operational performance was outstanding and the Company continued to maintain its market leading position in Mainland China's mobile telecommunications industry.

The Group achieved commendable financial results in 2004, during which operating revenue achieved notable growth with the benefit of good business growth and impetus from asset acquisition, and reached RMB192,381 million, representing an increase of 21.3 per cent. from 2003. EBITDA reached RMB107,221 million, representing an increase of 16.2 per cent. over 2003. Net profit reached RMB42,004 million, representing an increase of 18.1 per cent. from 2003. EBITDA margin and net profit margin were maintained at relatively high level. The Company's basic earnings per share reached RMB 2.14, representing an increase of 18.2 per cent. from 2003. The Company maintained its sound capital structure and robust free cash flow, thereby providing a stable and solid foundation for its future development.

The Group's businesses developed well in 2004, and its market leading position was further entrenched. Even with fairly intensive market competition, the Group still achieved relative stability in its high-value customer base and fairly high growth in new markets, and managed to slow down relatively the decrease in the Group's average

revenue per user per month (ARPU). As at 31 December 2004, the Group's mobile subscriber base reached 204 million and pro-forma combined ARPU reached RMB92. The development of new businesses has achieved significant results. Compared to 2003, pro-forma combined revenue attributable to such businesses grew at a rate of 76.5 per cent. and the percentage of the Group's total pro-forma combined revenue represented by such revenue reached 15.5 per cent., demonstrating swift growth. Among such services, "Short Message Service", or "SMS", maintained rapid growth and WAP, "Color Ring" and such other businesses recorded impressive growth, thereby bringing impetus to the Group's business development.

The Board considers that the Company's strong free cash flow is capable of supporting the Company's development, while also providing shareholders with a favourable cash return. Having taken into account such factors as the Company's financial position, cash flow position and requirements to ensure the sustainable future growth of the Company's business, the Board recommends payment of a final dividend of HK\$0.46 per share for the financial year ended 31 December 2004. This, together with the interim dividend of HK\$0.20 per share already paid during 2004, amounts to an aggregate dividend payment of HK\$0.66 per share for the full financial year, representing an increase of 83 per cent. over the annual dividend of HK\$0.36 per share for the financial year 2003 and a dividend payout ratio of 32.7 per cent. The Company will endeavour to achieve a sustainable and steadily increasing dividend, with a view to generating the best possible return for shareholders.

The Company's outstanding performance has continued to be widely recognized. In 2004, China Mobile (Hong Kong) received a number of prestigious and important acknowledgements, including being selected by the Financial Times as one of the "Global 500 Largest Companies"; being selected, for the first time, by Business Week as one of its "Global 1000 Most Valuable Companies", ranking the highest among the Chinese companies appearing in that list; and being selected for a third time as one of "The World's 400 A-List Companies" by the renowned business magazine Forbes, thus becoming the only Chinese company to have been selected for three consecutive years.

The chairman of the Company, Wang Jianzhou, pointed out that great potential for development still exists in the mobile telecommunications market in Mainland China. As market competition continues to intensify and market regulation increases, competition will become more rational. The maturing of mainstream Third Generation Mobile Communication (3G) technology and products and the issuing of 3G licences in Mainland China may result in changes in the industry's environment. Looking to the future, the Company will face great opportunities and challenges at the same time.

He said, "The Group will fully utilize its existing competitive advantages in terms of its network, technology and resources, its market experience and its market leading position to actively prepare for 3G's construction and development. At the same time, we will continue to refine our management methods to enhance the operational management of the Company. We will preserve our sound fundamentals, enhance our sustainable development capability, accurately seize investment opportunities, and achieve the maximization of enterprise value whilst providing premium services."

- End -

Forward-looking statements

Certain statements contained in this press release 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. These factors 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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