

**China Mobile (Hong Kong) Limited announces 2005 interim results
Achieving commendable operational performance and remarkable financial results**

- Subscriber net increase reached 19.49 million, total subscriber base reached 224 million
- Operating revenue reached RMB114.5 billion
- EBITDA reached RMB62.7 billion
- Profit attributable to shareholders reached RMB24 billion
- Earnings per share reached RMB 1.22
- Interim dividend payment is HK\$0.45 per share. The Company proposes to set the dividend payout ratio at 39% for the full year of 2005

China Mobile (Hong Kong) Limited ("CMHK" or the "Company", and together with its subsidiaries, the "Group") (HKEx: 941) (NYSE: CHL) announced its 2005 interim results today.

In the first half of 2005, whilst facing intense competition, the Group leveraged its premium and efficient network and economies of scale and brand advantages, implemented comprehensive refined management methods over its operating companies in Mainland China, enhanced its core competitiveness, adopted effective marketing strategies thereby steadily raising customer satisfaction. The Group achieved commendable operating results. The continued growth of new subscriber base was maintained and the Group recorded robust development of new businesses. The Group's operating revenue sustained a relatively rapid growth. The Company preserved sound fundamentals, further consolidated its financial strengths and reaffirmed its market leading position.

The Group achieved remarkable financial results in the first half of 2005. In the six months ended 30 June 2005, the Group's operating revenue reached RMB114.5 billion, representing an increase of 32.5% over the same period in 2004. EBITDA reached RMB62.7 billion, representing an increase of 27.2% over the same period last year. EBITDA margin was maintained at a relatively high 54.7%. Profit attributable to shareholders reached RMB24 billion, representing an increase of 27.7% from the same period in 2004, and the Group's earnings per share was RMB1.22, representing an increase of 27.1% compared with the same period in the prior year. For ease of comparison, on the assumption that the Group's current structure of holding 31 operating subsidiaries had been in place since 1 January 2004, the Group's operating revenue, EBITDA and profit attributable to shareholders achieved in the first half of 2005 enjoyed an increase of 16.8%, 13.8%, and 19.8%, respectively over the combined operating revenue, EBITDA and profit attributable to shareholders in respect of the 31 provinces, autonomous regions and municipalities during the same period of last year. The Group has maintained a solid capital structure and sustained robust free cash flow. Following the completion of the acquisition of ten mobile telecommunications companies and other telecommunications assets in Mainland China a year ago, the Company actively promoted effective assets integration and the enhancement of management efficiency. Favourable

business growth achieved by the newly-acquired subsidiaries made positive contributions to the Group's overall business growth.

In the first half of 2005, the Group's business development is encouraging. The Group's subscriber net increase maintained a rapid growth momentum. Minutes of usage per user per month (MOU) enjoyed a stable increase and average revenue per user per month (ARPU) recorded only a moderate trend of decrease. As at 30 June 2005, the Group's total subscriber base reached 224 million and ARPU was RMB90. The development of new businesses achieved remarkable results, with the "Short Message Service" or "SMS" maintaining stable growth, "Color Ring" and WAP businesses developing rapidly, and application businesses such as music and games maturing quickly. This brought about an impetus to the Group's business development.

The Company holds in the highest regard the interests of its shareholders and the returns achieved for them, especially the minority shareholders. Having taken into account various relevant factors, including the Company's sustained sound corporate fundamentals and robust free cash flow position, the Board has resolved to pay an interim dividend in the amount of HK\$0.45 per share for the year 2005. At the same time, the Company proposes to set the dividend payout ratio at 39% for the full year of 2005. The Company believes that its robust free cash flow is capable of meeting the investments required to maintain the stable growth of the Company, while also providing shareholders with a favourable cash return. The Company will continue its efforts to achieve a sustainable and steadily increasing dividend over the longer term, with a view to generating the best possible returns for shareholders.

The chairman and chief executive officer of the Company, Wang Jianzhou, stated that the mobile telecommunications market in Mainland China has great development potential. The coverage of the Group's mobile telecommunications network extends to all the provinces in Mainland China. This brings about enormous market potential to China Mobile (Hong Kong). As market competition continues and market supervision strengthened, competition will become more rational. The maturing of Third Generation Mobile Communication (3G) technology and products and the issuing of 3G licences in Mainland China may result in changes in the industry environment. Looking to the future, the Company will face great opportunities and challenges at the same time.

He said, "The Group will fully leverage its existing competitive advantages in terms of its network, technology and resources, its operational experience and market leading position to actively prepare for 3G's development. At the same time, we will continue implementing refined management to enhance the Company's operational management standard. We will preserve our sound fundamentals, enhance our sustainable development capability, capture the right investment opportunities to maximise our enterprise value."

- 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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