



17 August 2006

For Immediate Release

Press release

China Mobile Limited Announces its 2006 Interim Results
Commendable overall results achieved with the continuing push of three driving forces

- Turnover reached RMB137.0 billion, up by 19.6%
- EBITDA of RMB78.3 billion, up by 25.0%
- EBITDA margin of 57.2%, maintained at high level
- Profit attributable to shareholders of RMB30.2 billion, up by 25.5%
- Total subscribers reached 274 million, up by 25.78 million
- Payment of an ordinary interim dividend of HK\$0.62 per share. The Company's planned dividend payout ratio for the full year of 2006 is 42%
- Payment of a special interim dividend of HK\$0.09 per share

China Mobile Limited (referred to below as "China Mobile" or the "Company", and together with its subsidiaries, the "Group") (HKEx: 941) (NYSE: CHL) announces its 2006 interim results today.

In the first half of 2006, China Mobile promoted the development of economies of scale, maintained innovative growth and responded to competition rationally. With the continuing push of three driving forces of new customers, new businesses and new voice usage, business in the eastern regions continued to grow, and the momentum of growth in the central and western regions and in the rural market remained robust. The Company achieved commendable overall operating results, reinforced its financial strengths and consolidated its market leading position in the mobile telecommunications market.

In the six months ended 30 June 2006, the Group's operating revenue achieved notable growth and reached RMB136,979 million, representing an increase of 19.6 per cent. over the same period last year. EBITDA and profit attributable to shareholders reached RMB78,343 million and RMB30,168 million, respectively, representing an increase of 25.0 per cent. and 25.5 per cent. over the same period last year, respectively. EBITDA margin and margin of profit attributable to shareholders continued to be maintained at a high level of 57.2 per cent. and 22.0 per cent., respectively. Basic earnings per share reached RMB1.52, representing an increase of 24.6 per cent. compared with the same period last year. It is pleasing to note that the Group's revenue attributable to its value-added businesses continued to grow rapidly, and it amounted to RMB30,926 million, representing an increase of 37.1 per cent. over the same period last year. Such revenue, which accounted for 22.6 per cent. of the Group's operating revenue and representing an increase of 2.0 percentage points over the last year, continued to demonstrate robust development potential.

In the first half of 2006, the Group advocated and continued to promote rational competition, leveraged market opportunities, consolidated its competitive advantages in scale, brand, sales channel and service, and strengthened its innovative capabilities. Customer demand-oriented, the Group implemented effective measures to develop its market, and achieved notable results in the development of scale. In the first half of 2006, the total net addition in subscriber base was 25.775 million, and the average monthly subscribers addition was over 4.29 million. As at 30 June 2006, the Group's total subscriber base was approximately 274 million; voice usage volume demonstrated a favorable growth trend; total usage volume reached 569,203 million minutes, average minutes of usage per user per month (MOU) reached 367 minutes, average revenue per user per month (ARPU) kept at RMB88, and the Group continued to maintain its momentum of rapid and healthy development.

In 2006, on the basis of the sustained subscriber growth in the eastern regions, the subscriber base in the central and western regions grew rapidly. In areas where there is a large proportion of rural population and where the penetration rate of mobile telecommunications is relatively low, the Group strengthened the construction of infrastructure including telecommunications networks and sales channels, actively developed products and services targeting rural customers, launched sales packages that fit the unique consumption characteristics in rural areas and applied cost-effective strategies to tap into the enormous potential of the rural markets. These efforts have resulted in remarkable success.

China Mobile proactively developed value-added businesses and promoted product and service innovations, various value-added businesses maintained good growth momentum and the revenue attributable to such new businesses is increasingly notable. Complying with the collaboration and win-win principle, the Company established strategic cooperations with Phoenix Satellite Television and News Corporation to explore new opportunities for mobile telecommunications businesses and fully prepare for the development of the next generation of mobile information businesses.

In the first half of 2006, China Mobile strengthened its operation in areas such as brand development, service enhancement and network support to hone premium service quality. As a result, customer satisfaction continued to increase, brand influence widened and brand value continued to increase. In April 2006, "China Mobile" ranked number 4 in the "BRANDZ™ Top 100 Most Powerful Brands" announced by Millward Brown, a global market research firm, and was the most valuable brand in Asia.

The Company consistently 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, free cash flow position and requirements for its future sustainable development, and in accordance with the plan under which the dividend payout ratio will be 42 per cent. for the full year of 2006, the Board has resolved to pay an ordinary interim dividend of HK\$0.62 per share for the year 2006. Apart from that the interim profit and dividend payout remained at stable growth and considering the returns to shareholders, the Board resolved to pay a special dividend for the year of 2006 after taking into account of the resultant impact on profit attributable to shareholders from revision of asset depreciable lives. The special interim dividend is HK\$0.09 per share. The Board considers that its strong free cash flow will be capable of supporting the investments required to maintain the stable growth of the Company, while also providing shareholders with a favorable 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.

Looking to the future, Mr. Wang Jianzhou, Chairman of the Company, pointed out that the accelerated growth in the central and western regions, the development of the rural markets and the accelerated process of "informationalization" in China present new market potential and a tremendous market demand to the Group.

He said, "the Group will pursue the spirit of innovation, focus on favorable results. The Group will proactively develop mobile telecommunications in rural areas, actively develop value-added businesses, enhance the development of its economies of scale and expand its influence. At the same time, the Group will actively carry out preparatory work in the planning and construction of and market operations for 3G, in order to prepare for the launch of commercial application of 3G. The Group will leverage off its advantages as a "Mobile Information Expert", actively explore market opportunities, maintain development momentum, create greater value, with a view to bringing long-term returns for its investors."

- 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, which may cause the actual performance, financial condition or results of operations of China Mobile 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.

Press enquiries:

China Mobile Limited

Mr. Guan Yimin or Ms. Rainie Lei

Telephone: 852-31218888

Fax: 852-31218809