PRESS RELEASE
For Immediate Release

CHINA MOBILE ANNOUNCES 2019 INTERIM RESULTS
Proactively charting 5G development plans, driving high-quality development and maintaining scale advantage

Highlights

- Devoted concerted efforts to addressing operating challenges and maintained scale advantage
- Sped up integrated development and achieved a notable momentum shift amongst growth engines
- Made targeted investments and further enhanced long-term sustainability
- Proactively charted 5G development plans and established new “5G+” competitive advantages
- Promoted further reforms and innovation and fully infused entrepreneurial vitality into the company
- Comprehensively drove high-quality development and continuously created value for shareholders

Operating Performance

<table>
<thead>
<tr>
<th></th>
<th>1H 2018</th>
<th>1H 2019</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating revenue (RMB million)</td>
<td>391,832</td>
<td>389,427</td>
<td>-0.6%</td>
</tr>
<tr>
<td>Of which: Revenue from telecommunications services (RMB million)</td>
<td>356,120</td>
<td>351,425</td>
<td>-1.3%</td>
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<tr>
<td>EBITDA (RMB million)$^1/2$</td>
<td>145,886</td>
<td>151,147</td>
<td>3.6%</td>
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<tr>
<td>Profit attributable to equity shareholders (RMB million)$^2$</td>
<td>65,641</td>
<td>56,063</td>
<td>-14.6%</td>
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<tr>
<td>Basic earnings per share (RMB)</td>
<td>3.21</td>
<td>2.74</td>
<td>-14.6%</td>
</tr>
<tr>
<td>Dividend per share- interim (HK$)</td>
<td>1.826</td>
<td>1.527</td>
<td>-16.4%</td>
</tr>
<tr>
<td>Total mobile customers (million)</td>
<td>906</td>
<td>935</td>
<td>3.2%</td>
</tr>
<tr>
<td>Of which: 4G customers (million)</td>
<td>677</td>
<td>734</td>
<td>8.4%</td>
</tr>
<tr>
<td>Mobile ARPU (RMB)</td>
<td>58.1</td>
<td>52.2</td>
<td>-10.1%</td>
</tr>
<tr>
<td>Wireline broadband customers (million)</td>
<td>135</td>
<td>175</td>
<td>29.5%</td>
</tr>
<tr>
<td>Of which: Household broadband customers (million)</td>
<td>128</td>
<td>162</td>
<td>26.2%</td>
</tr>
<tr>
<td>Household broadband blended ARPU (RMB)</td>
<td>34.8</td>
<td>35.0</td>
<td>0.6%</td>
</tr>
<tr>
<td>IoT smart connections (million)</td>
<td>384</td>
<td>693</td>
<td>80.6%</td>
</tr>
</tbody>
</table>

$^1$ EBITDA = profit from operations + depreciation and amortization

$^2$ The Company has applied the new accounting standard on leases (IFRS/HKFRS 16) since 2019. Should the former corresponding accounting standard (IAS/HKAS17) were applied to the results of the current period (meaning “an exclusion of the impact of the new accounting standard on leases”), the year-on-year decreases in EBITDA and profit attributable to equity shareholders would be 4.6% and 13.9% respectively.

(Hong Kong, 8 August 2019) –As the traditional communications market is becoming almost saturated, the upside of data traffic is rapidly diminishing and it is increasingly difficult for operators to boost operating
results by relying on traditional growth drivers alone. The industry saw negative growth overall, and the Company’s revenue and profit were inevitably squeezed.

In the first half of 2019, we recorded operating revenue of RMB389.4 billion, which represented a decrease of 0.6% compared with the same period last year. Of this, revenue from telecommunications services accounted for RMB351.4 billion, down by 1.3% year-on-year. We posted EBITDA of RMB151.1 billion, up by 3.6% compared with the first half of 2018. This represents an EBITDA margin of 38.8%, or an increase of 1.6 percentage points year-on-year. Profit attributable to equity shareholders reached RMB56.1 billion or RMB2.74 per share. Despite a year-on-year decline of 14.6%, our profitability still remained at a leading level among top-tier global telecommunications operators. Our capital expenditure was RMB85.2 billion, and we maintained a healthy level of free cash flow at RMB41.0 billion.

We recorded a net addition of 9.98 million mobile customers, bringing our total to 935 million. Of these, the total number of 4G customers reached 734 million, with a net addition of 21.13 million customers during the first half of 2019. In the wireline broadband market, with a net addition of 18.20 million customers, the total number of customers has reached 175 million. We added 142 million net new Internet of Things (IoT) smart connections, driving the total number of connections to 693 million. The MIGU products saw a rapid uptick in monthly active users. Our household and IoT customers continued to deliver robust growth.

Our efforts to optimise revenue structure and inject new momentum into the growth of our revenue streams have paid off, with the household and corporate businesses both maintaining double-digit revenue gain and contributing a bigger portion to our total revenue. Of which, revenue from Mobaihe amounted to RMB6.2 billion (up by 59.7% year-on-year) while that of DICT (data, information and communications technology) reached RMB13.6 billion (up by 47.3% year-on-year). Meanwhile, revenue from IoT stood at RMB5.2 billion (up by 43.8% year-on-year).

In accordance with the guidance provided earlier this year, the dividend payout ratio for the first half of 2019 was 49%, equivalent to an interim dividend of HK$1.527 per share. The Company attaches great importance to shareholder returns, and will strive to maintain a stable dividend per share for the full year, after giving due consideration to its performance in 2019.

The Board believes that our industry-leading profitability and on-going ability to generate a healthy cash flow will provide sufficient support for our future development and generate good returns for our shareholders.

Mr. Yang Jie, Chairman of the Company commented, ‘In the first half of 2019, we witnessed ever-intensifying competition within the telecommunications industry and from cross-sector players. When this is combined with the continued implementation of the national policy on “speed upgrade and tariff reduction”, the operating environment has become more complex and is full of uncertainty. Faced with these challenges, we have introduced timely and measured adjustments to our operations. While adhering to the “Big Connectivity” strategy and advancing the integrated development of the “four growth engines” (personal mobile, household, corporate and emerging businesses), we have maintained a clear focus on high-quality development, supported by solid progress in our business transformation and upgrade. In addition, we have stepped up reforms and innovation, laid out plans for 5G development and introduced measures to further reduce costs and increase operating efficiency. By taking these steps, we have reinforced our competitive advantage in terms of scale and strengthened our leadership position in the industry, while establishing a solid foundation for the sustainable development of the Company.’
Advancing business transformation and upgrade, promoting reforms and innovation

In the first half of 2019, we were able to get to grips with the new market trends and advance our business transformation and upgrade. This is yielding positive changes to our business development through the three strategies of convergence, integration and digitisation. Maintaining a clear focus on satisfying customer demand, we made efforts to increase convergence in our products, sales efforts and operations to expand our market. Through integration, we have unleashed the synergy and value of our business by sharing capabilities, connecting channels and desegregating data. We have also fully leveraged new technologies to digitise our production chains and operation processes, advancing our smart operation capabilities and enhancing operating efficiency.

We continued to deepen reforms and foster innovation. Leveraging our strong capabilities, active collaborations and buoyant vitalities, we have accelerated the build-out of a synergetic and efficient operating system across the organisation.

Establishing new “5G+” competitive advantages

In June 2019, we were granted a 5G commercial licence. Immediately following that, we launched our “5G+” brand. As the telecommunications operator with the largest network and customer base in the world combined with world-leading brand value and market capitalisation, we will accelerate the development of 5G and establish our new “5G+” competitive advantages. To this end, we will implement the following comprehensive “5G+” plans: 5G+4G, 5G+AICDE, 5G+Ecology and 5G+X.

The 4G era has already improved people’s lives, and the 5G era will transform our society, bringing opportunities for development that have never been possible before. 5G will become the foundation for all-encompassing smart connections. In this historic moment, we will strive to maintain our competitive advantage and set the benchmark for the global telecommunications industry. We will continue to enhance the value of China Mobile surrounding “5G+”.

Driving high-quality development and building synergetic and efficient operations

The macro-economic environment and the industry landscape are currently undergoing gear-changes in four areas. Overall, the economy is shifting from fast-paced expansion to high-quality growth. Information and communications technology has rapidly developed from being purely an enabling infrastructure to being a core force that is leading wider economic growth. The fundamental telecommunications business is also shifting its dynamics from exploiting business scale to creating value based on scale. Finally, competition in the information and communications market has been changing rapidly. Today, the winning components are found not only in the fundamentals of a business but also in its suite of capabilities.

Economic and social development has boosted the more immediate demand for 5G, presenting opportunities for the transformation and development of the information and communications industry like never before. Firstly, the deep integration between information technology (including 5G) and the real economy will promote smart connections, cloud-network convergence and other adoption across sectors, unleashing a multiplying positive impact on the economy and infusing it with new momentum. Secondly, 5G will support the collection and real-time analysis of massive amounts of multidimensional social information, promoting the coordinated and effective usage, and fair distribution of resources in a smart society, in turn creating new opportunities for social development. Thirdly, 5G will speed up the transition from people-to-people connections to people-to-machine and the smart connections of everything, giving rise to smart families, autonomous driving, virtual offices and other new industries and new digital experiences. Meanwhile, we are well aware of the increasing complexity and challenges in the external operating environment, including
downward pressure from the macro-economy and competition arising from the homogeneous nature of industry operators. At the same time, competition across industries has intensified and evolved into a struggle for ecological resources. As the upside of data traffic rapidly diminishes, the industry is facing more severe challenges. Gear-changing has become the immediate reality, and this is challenging operators to explore new development models and new areas of growth.

A clear understanding of the trend is the first step to success in this market. We have every confidence in our future development. We will make progress on the basis of stable development, and continue to drive the implementation of our strategy for high-quality development that surrounds our business transformation and upgrade, while giving impetus to reform and innovation. We will build on our strong foundation of economies of scale and the implementation of our convergence, integration and digitisation strategies, placing a special emphasis on value generation. We will build synergetic and efficient operations, strengthen our capabilities, promote collaboration and infuse vitality across the organisation. We will fully implement the “5G+” plan, coordinating this with the “four growth engines”, in order to scale up our connections, strengthen connection applications and provide premium connection services to build a world-class corporation. We will march towards our goal of becoming a major force in building “a cyberpower, a digital China and a smart society”, in addition to creating new value for our shareholders.

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Media enquiries:
China Mobile Limited
Investor Relations Department
Mr. Calvin Lam
Tel: 852 3121 8888
Email: calvinlam@chinamobilehk.com
Fax: 852 2511 9092

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 those implied by such forward-looking statements. In addition, we do not intend to update these 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 and other filings with the U.S. Securities and Exchange Commission.