

中國移動有限公司
China Mobile Limited
www.chinamobileltd.com

2007 *Interim Results*



2007 Interim Results

China Mobile Limited
16 August 2007

Management



Mr. WANG Jianzhou
Chairman & CEO

Mr. LI Yue
Executive Director & Vice President

Mr. XUE Taohai
Executive Director, Vice President & CFO

Madam XIN Fanfei
Executive Director & Vice President

**Overall Performance
for 1H2007**

**Financial Results
for 1H2007**

Overall Performance for 1H2007

Highlights

Excellent operating results

Revenue ↑21.6%

Net profit ↑25.7%

Continuing rapid subscriber growth

Average monthly net adds of 5.19 million

Rapid growth in value-added business

Proportion to total revenue rising to 25.2%

Strong growth in rural market

Half of subscriber growth from rural areas

Planned full year dividend payout ratio of 43%

Interim dividend of HK\$0.837 per share

Special interim dividend of HK\$0.085 per share

Overall Operating Performance

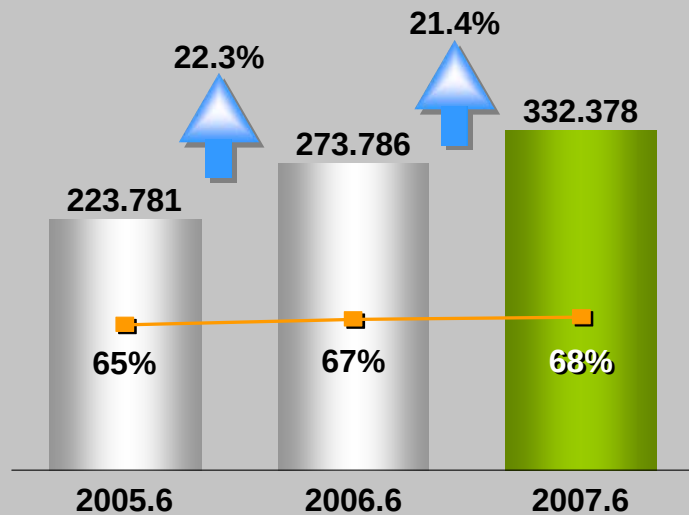


	1H2006	1H2007	Change
Subscribers (Million)	273.786	332.378	21.4%
Operating Revenue (RMB Billion)	136.979	166.580	21.6%
EBITDA (RMB Billion)	78.343	89.814	14.6%
EBITDA Margin (%)	57.2%	53.9%	- 3.3 ppt
Net Profit (RMB Billion)	30.168	37.907	25.7%
Net Profit Margin (%)	22.0%	22.8%	0.8 ppt
Basic Earnings per Share (RMB)	1.52	1.90	25.0%

Continuous Rapid Growth of Subscribers

Total Subscribers

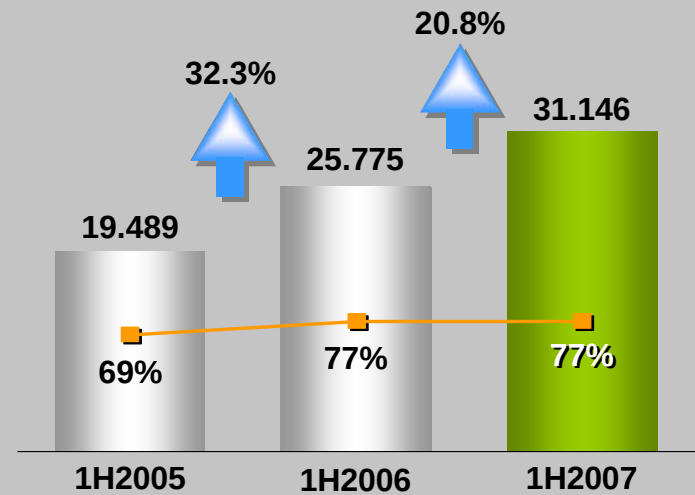
(Million)



Market share

Net Additional Subscribers

(Million)

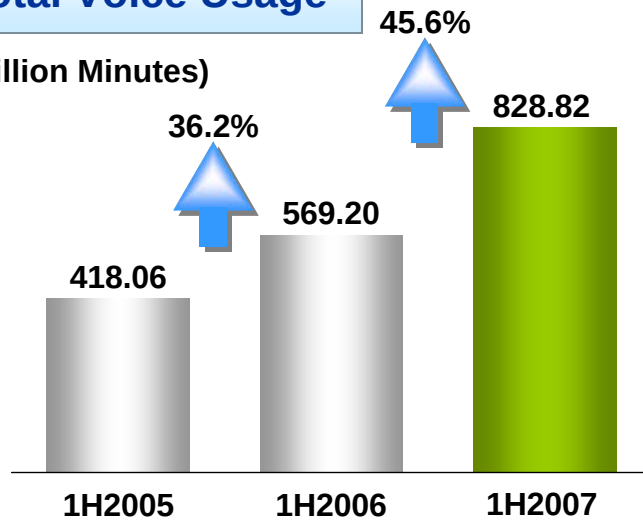


Net adds market share

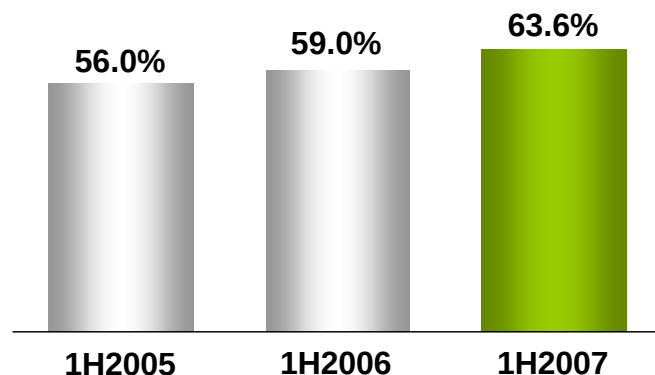
Voice Business Growth Driven by Favourable Price Elasticity

Total Voice Usage

(Billion Minutes)



Proportion of Intra-network Usage



Price Elasticity

1H2007 vs 1H2006

Average voice
revenue per
minute*

-19.3%

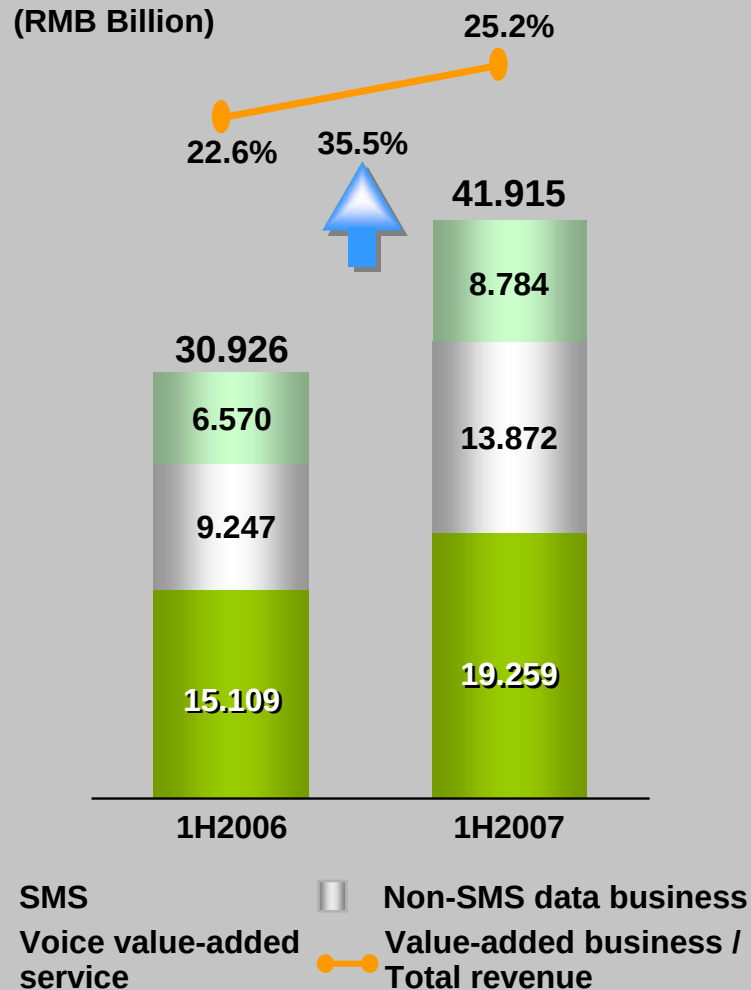
MOU

20.0%

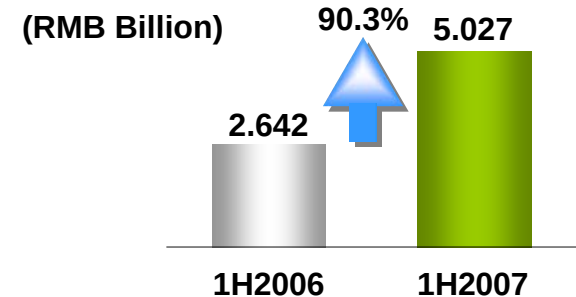
*After deducting value-added business revenue

Strong Growth in Value-added Business

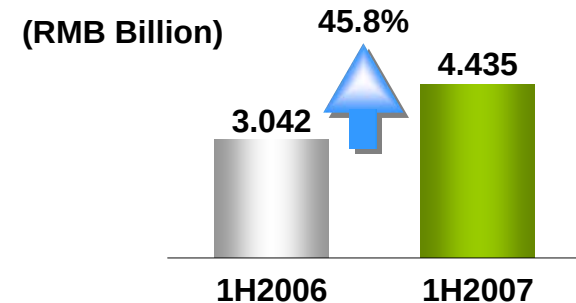
Value-added Business Revenue



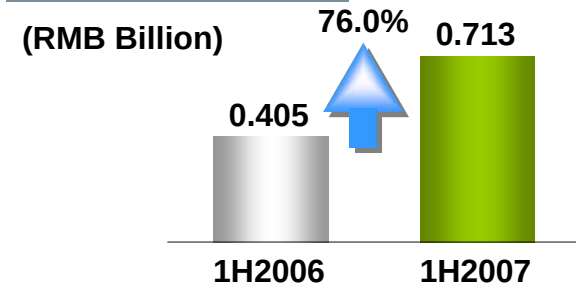
Color Ring Revenue



WAP Revenue



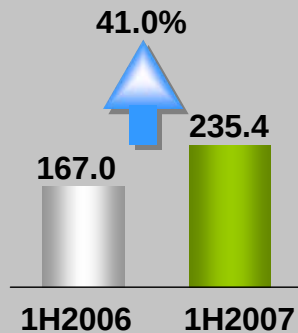
MMS Revenue



Continuous Growth of Revenue-Driving Products and Vibrancy of Growth-Driving Products

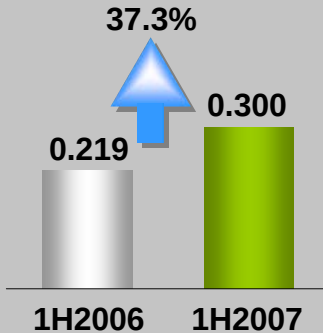
SMS Usage

(Billion Messages)



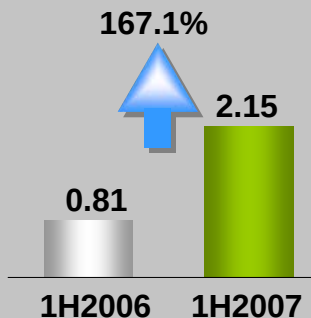
Color Ring Subscription

(Billion Times)



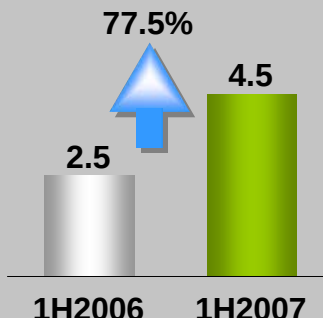
WAP Traffic

(Billion MB)



MMS Usage

(Billion Messages)



Mobile Music

A new fashionable entertainment mode, leading the mainstream distribution, consumption and way of experiencing music

Wireless music club members: 48 million

31 million additions in six months

Senior members: 22 million

“Mobile Paper”

Providing timely and convenient access of information. Strengthened cooperation with mainstream media to achieve win-win situation

Paid subscribers: 15 million

Nearly 10 million additions in six months

“Morning/Evening News” paid subscribers: 12 million

“Fetion”

An important tool that integrates various communication modes, to cope with a new trend of communication and information access

“Fetion” subscribers: approx. 38 million

Nearly 32 million additions in six months

Active subscribers: 10 million

Active Promotion of Mobile Life

Promoting mobile phone as a
personalized media
information platform

“Mobile Paper”, Mobile Music, Mobile TV,
Mobile Search.....

Mobile Media

Turning mobile phone into an
indispensable companion to our life

Entertainment

Mobile
Gaming,
Mobile
Animated
Comic,
“Fetion”.....

Commerce

Mobile Wallet,
e-Cert, Mobile
Securities
Trading,
Mobile
Mailbox.....

Daily life

Mobile Info.
Service, Mobile
Navigation,
Weather
Forecast, Flight
Info. Direct.....

Multi-uses

Capitalizing on industry trends
and nurturing driving forces
for our rapid and sustainable
development

Strengthen handset
customization

Design user-friendly
interface and facilitate
business promotion

A reserve of value-
added business
products at different
life stages

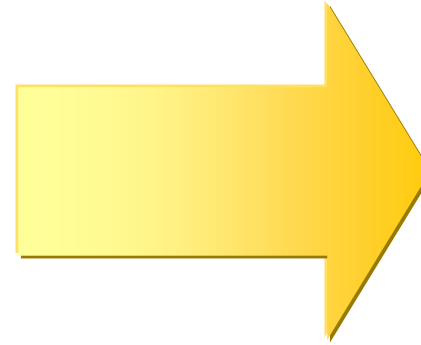
Advance planning to
control strategic
resources

Innovative operation
model to develop
industry value-chain

Developing Rural Market and Promoting Rural Informationalization

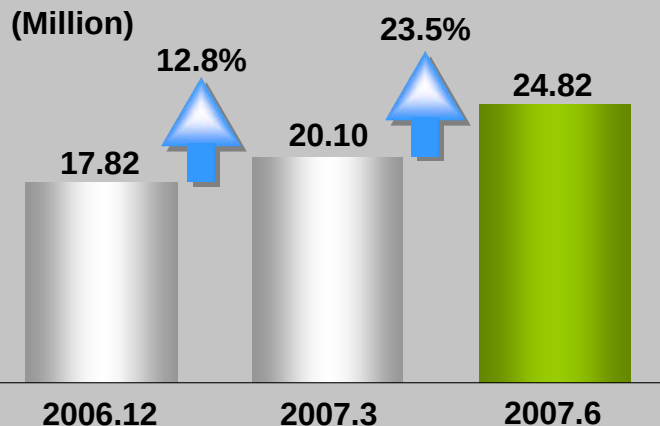


- Relatively low penetration rate in rural areas
- Per capita income of rural residents continued to grow
- Strong support from new rural policy
- Users' entry barrier further lowered
- Appropriate marketing strategy



Rural market contributed significantly to our overall performance

Agricultural Information Access Subscribers



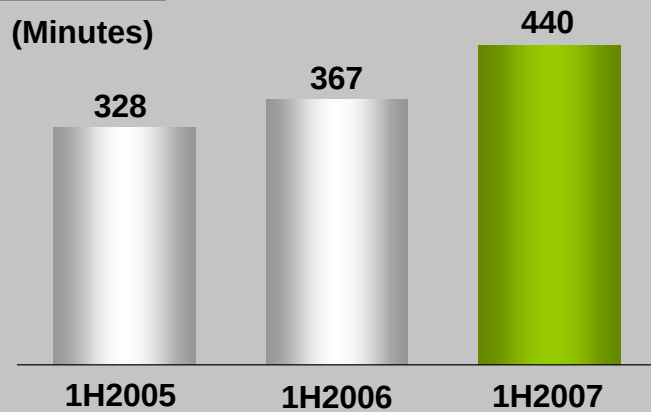
"Agricultural Information Access" provides rural customers with practical and updated information, via SMS, voice and the Internet

- Well received by the market, driving subscriber growth
- Effectively enhanced customer loyalty and lowered churn rate
- Propelled revenue, further boosting the proportion of data business to total revenue
- Promoted rural informationalization

Continued Growth in Operating Revenue

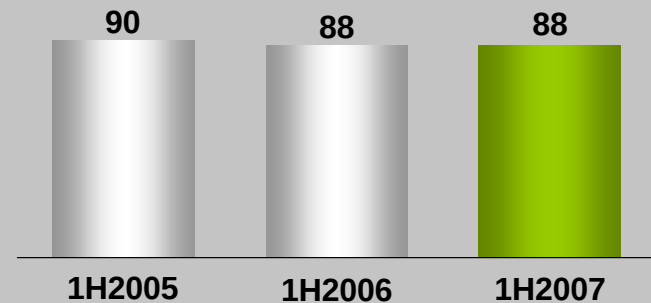
MOU

(Minutes)



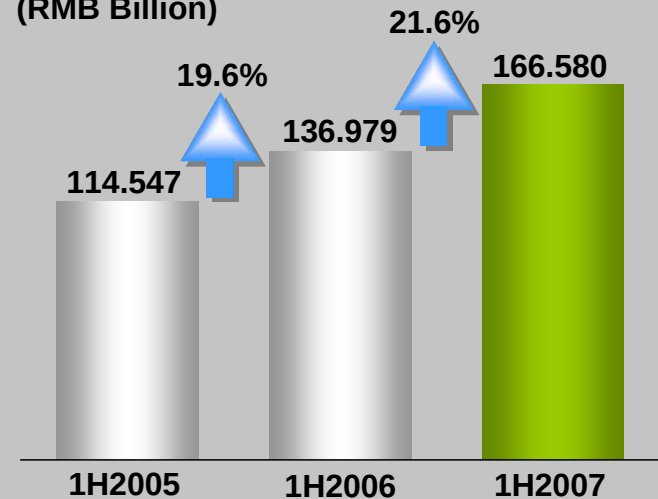
ARPU

(RMB)



Operating Revenue

(RMB Billion)



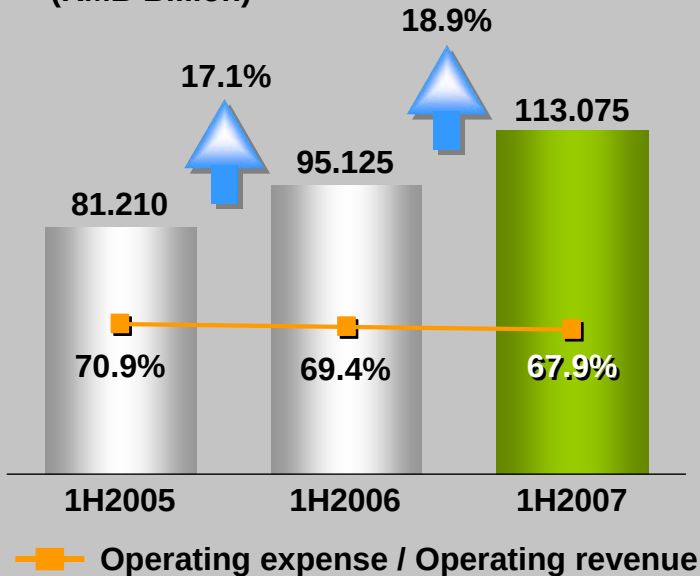
- Subscriber and voice usage growth
- Favorable impetus of value-added business
- Rapid development of rural market

Continued growth in operating revenue

Sustained Profit Growth

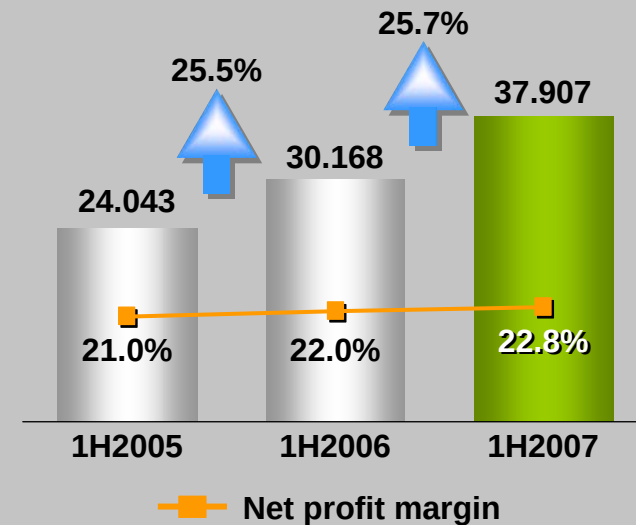
Operating Expense

(RMB Billion)



Net Profit

(RMB Billion)



- Favorable revenue growth
- Effective cost management
- Better economies of scale

**Sustained
profit growth**

CAPEX

(RMB Billion)

<10%

99.8

51.1

2007
Budget

1H2007
Actual

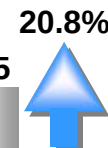
CAPEX adjustment

- To satisfy robust market demand
- To promote continuous development of value-added business
- To secure leading network advantage

Net Additional Subscribers

(Million)

25.775



20.8%

31.146

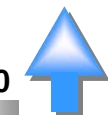
1H2006

1H2007

Total Voice Usage

(Billion Minutes)

569.20



45.6%

828.82

1H2006

1H2007

Operating Revenue

(RMB Billion)

136.979



21.6%

166.580

1H2006

1H2007

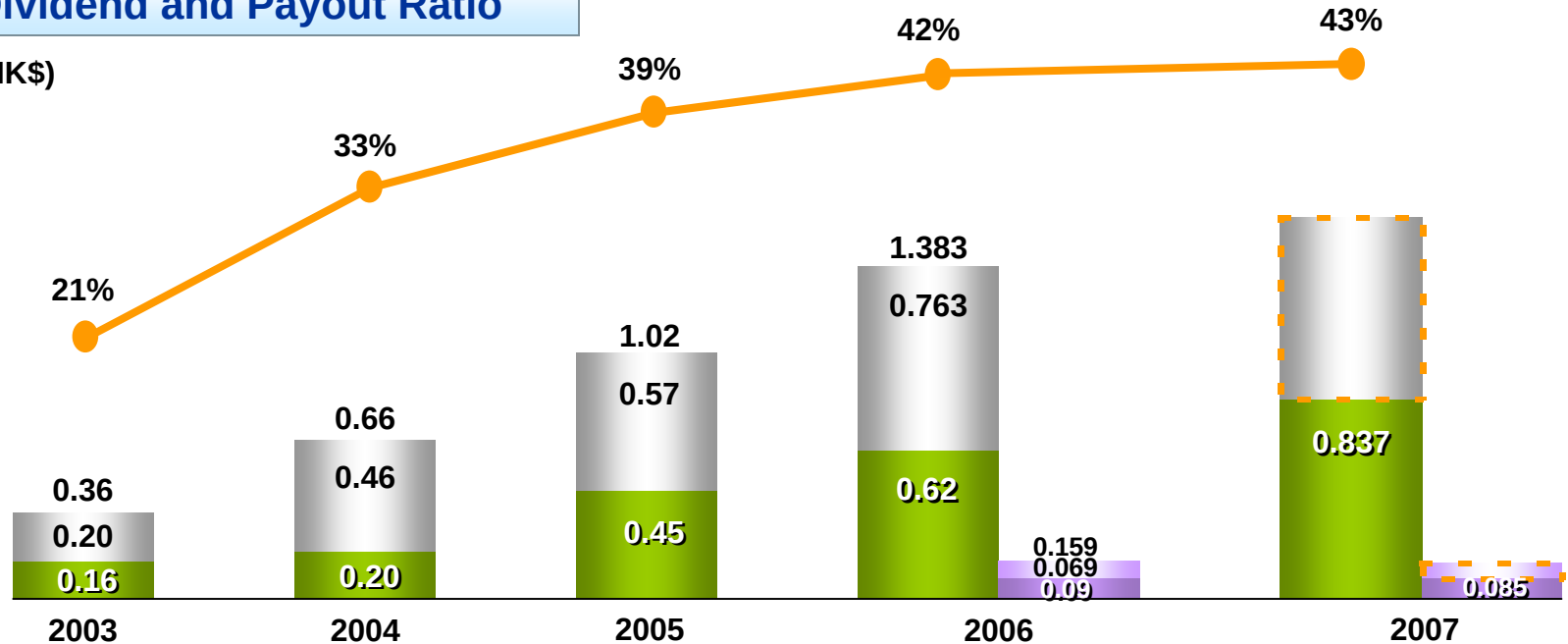
Favorable and Continued Dividend Growth



- Planned dividend payout ratio for the full year of 2007 is 43%
- Interim dividend for 2007 was HK\$0.837 per share
- Plan to distribute special dividend for 2007, special interim dividend was HK\$0.085 per share
- Endeavor to achieve a long-term sustainable, steadily increasing dividend, with a view to generating the best possible return for shareholders

Dividend and Payout Ratio

(HK\$)



—●— Payout Ratio
 ■ Interim Dividend
 ■ Final Dividend
 ■ Special Interim Dividend
 ■ Special Final Dividend

Earnest Effort to Prepare for Beijing 2008 Olympic Games



北京2008年奥运会合作伙伴
Partner of the Beijing 2008 Olympic Games

**China
Mobile's
Olympic
Commitment**

**The most advanced
technology**

**The most abundant
business**

**The most
considerate service**

- **Capitalizing on Beijing Olympics to enhance brand value**
- **Exhibiting corporate charisma and fulfilling social responsibility**
- **Driving further growth in revenue**
- **Realizing benefit from partnership rights**

Corporate Responsibility



Eliminate digital divide in rural areas

SMS competition for charity



Educational assistance to the poverty-stricken districts

Realize “harmony and growth” among corporation, value chain, society and environment

To build a world-class corporate responsibility management system



Recycle program of cell phones, batteries, and accessories

The Green Olympics environmental education textbook for secondary school students



Assure communications service for emergency and disaster relief

Mobile Information Expert



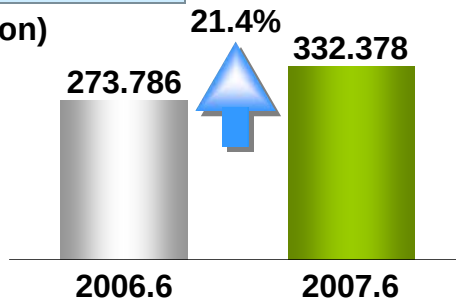
**A World-class Enterprise and
A Mobile Information Expert**

Financial Results for 1H2007

Strong Growth Momentum

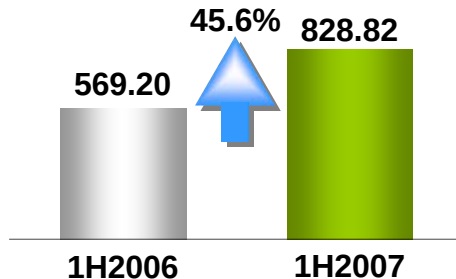
Subscribers

(Million)



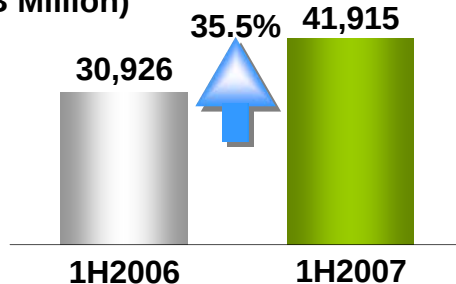
Total Voice Usage

(Billion Minutes)



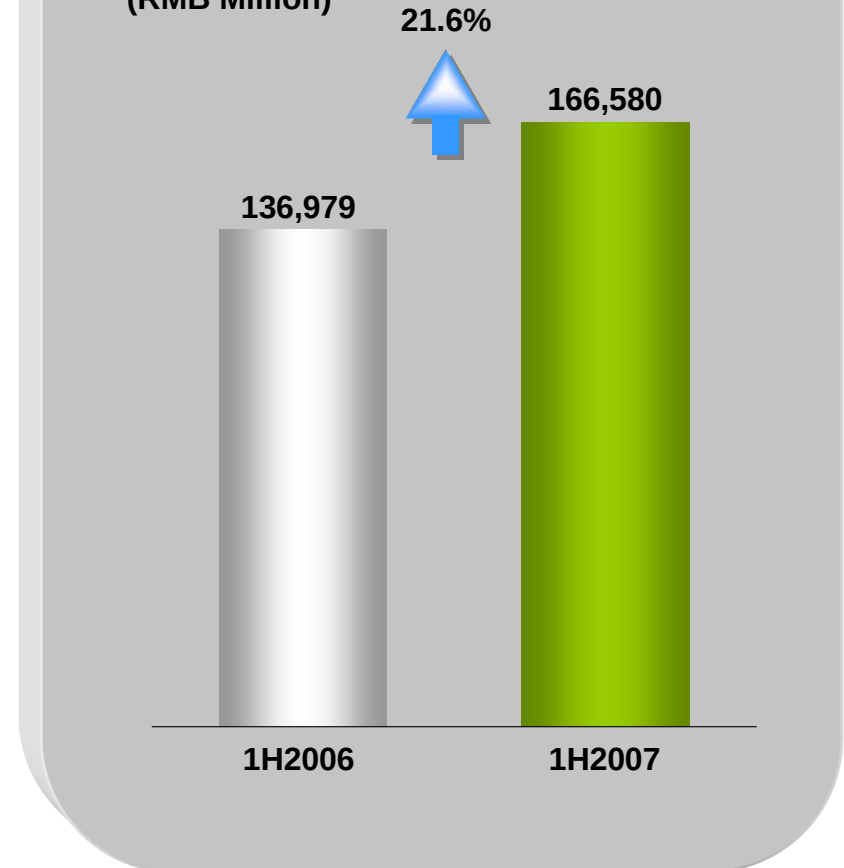
Value-added Business Revenue

(RMB Million)



Operating Revenue

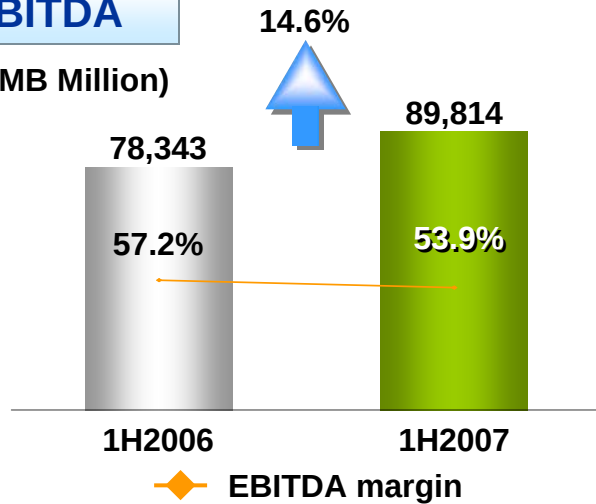
(RMB Million)



Delivering Strong Financial Performance

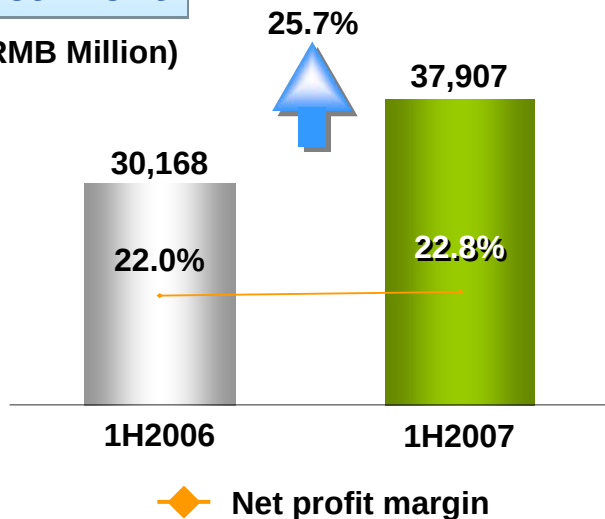
EBITDA

(RMB Million)



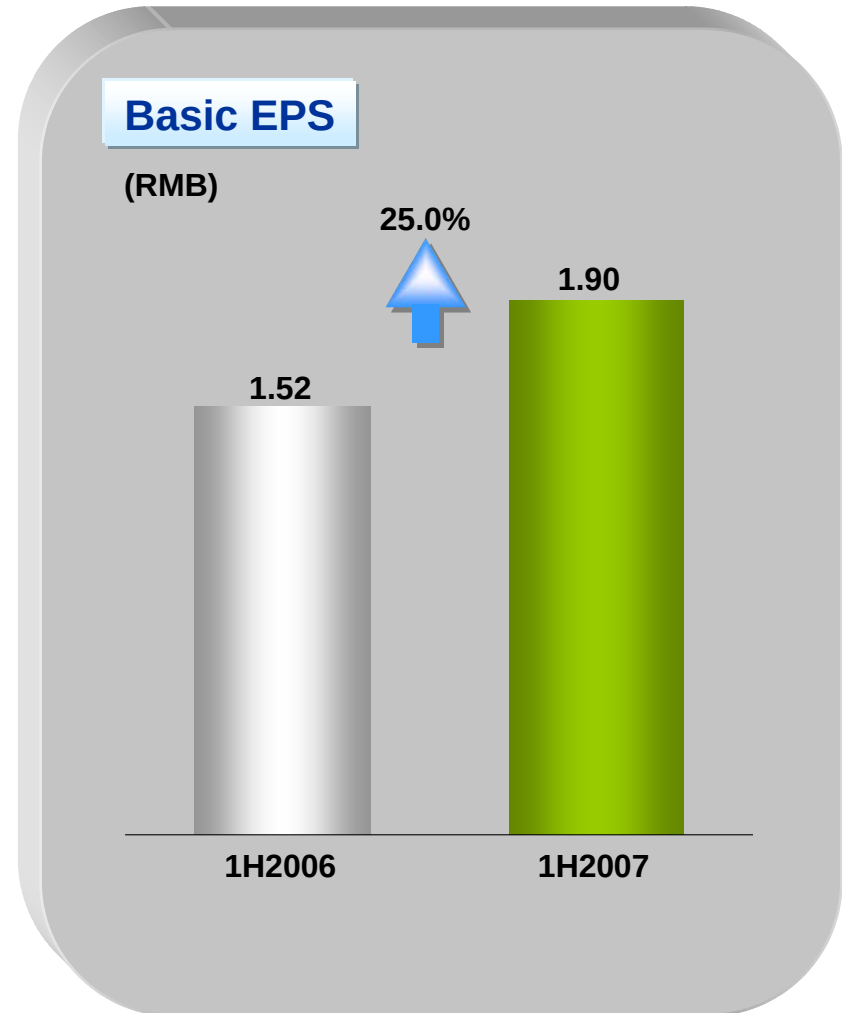
Net Profit

(RMB Million)



Basic EPS

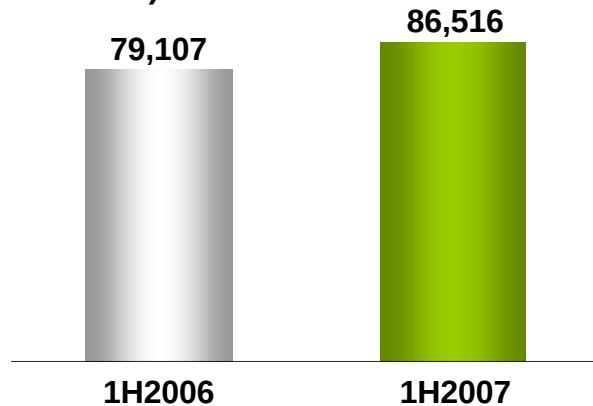
(RMB)



Remain Strongly Cash Generative

Net Cash Generated from Operating Activities

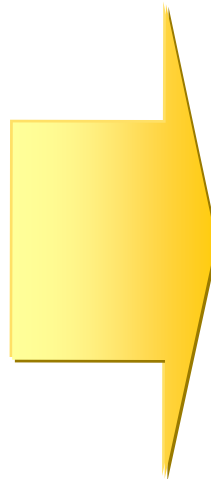
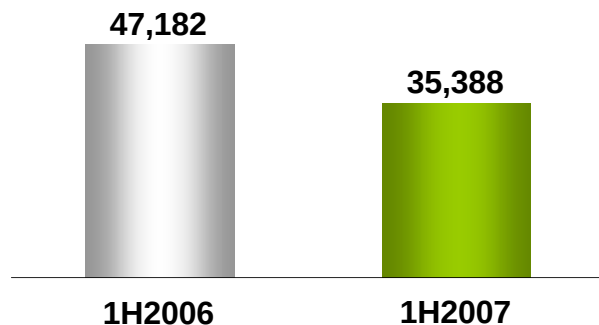
(RMB Million)



Continuing favorable business growth and economies of scale

Free Cash Flow

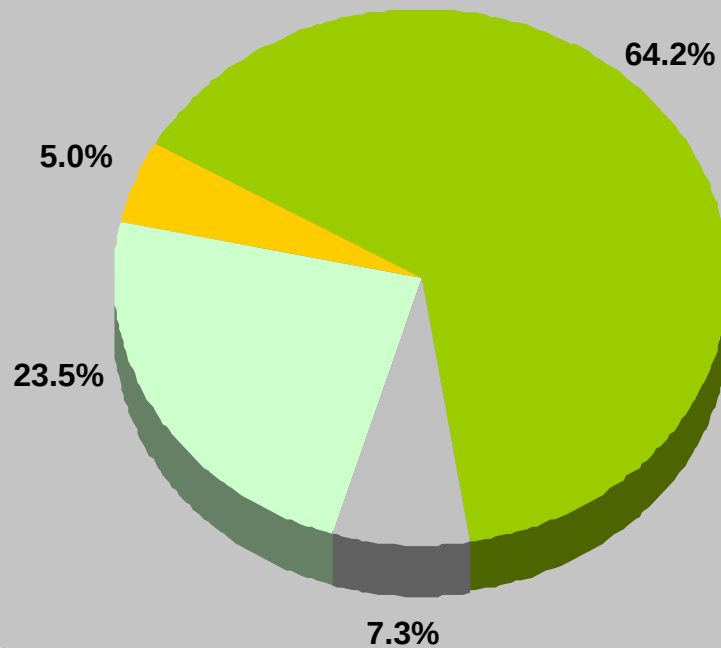
(RMB Million)



Provide a solid foundation for the sustainable healthy development of the Company

Revenue Composition

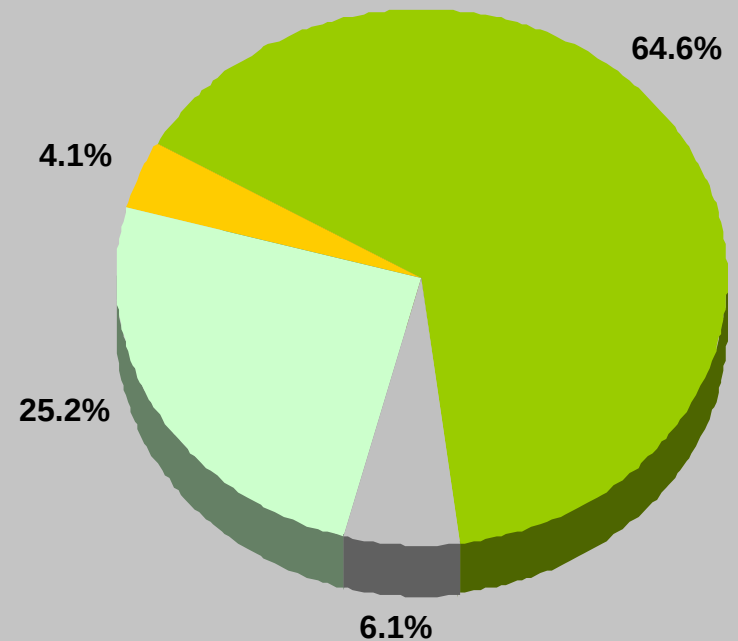
2006



Usage fees

Monthly fees

1H2007

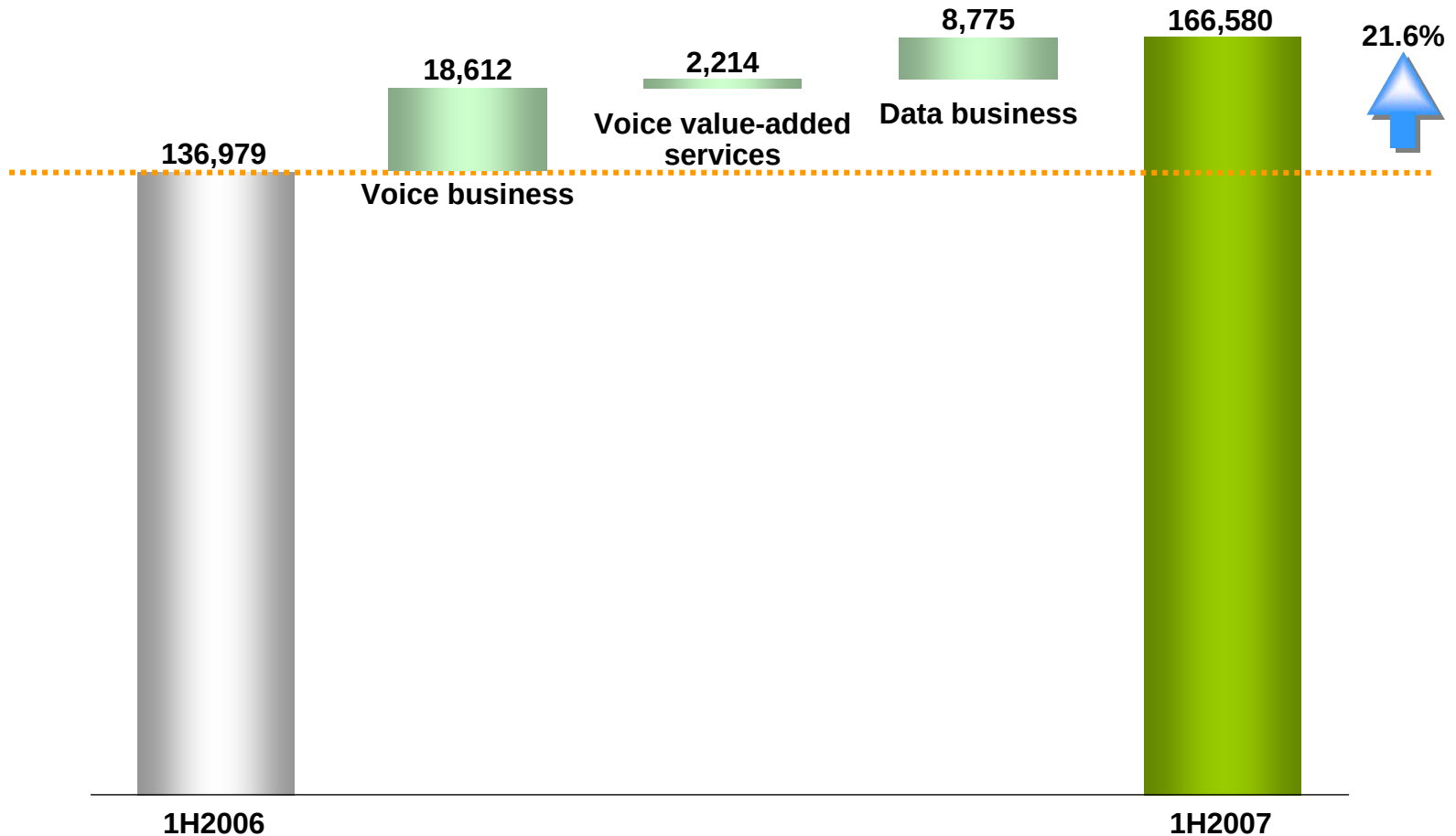


Value-added business

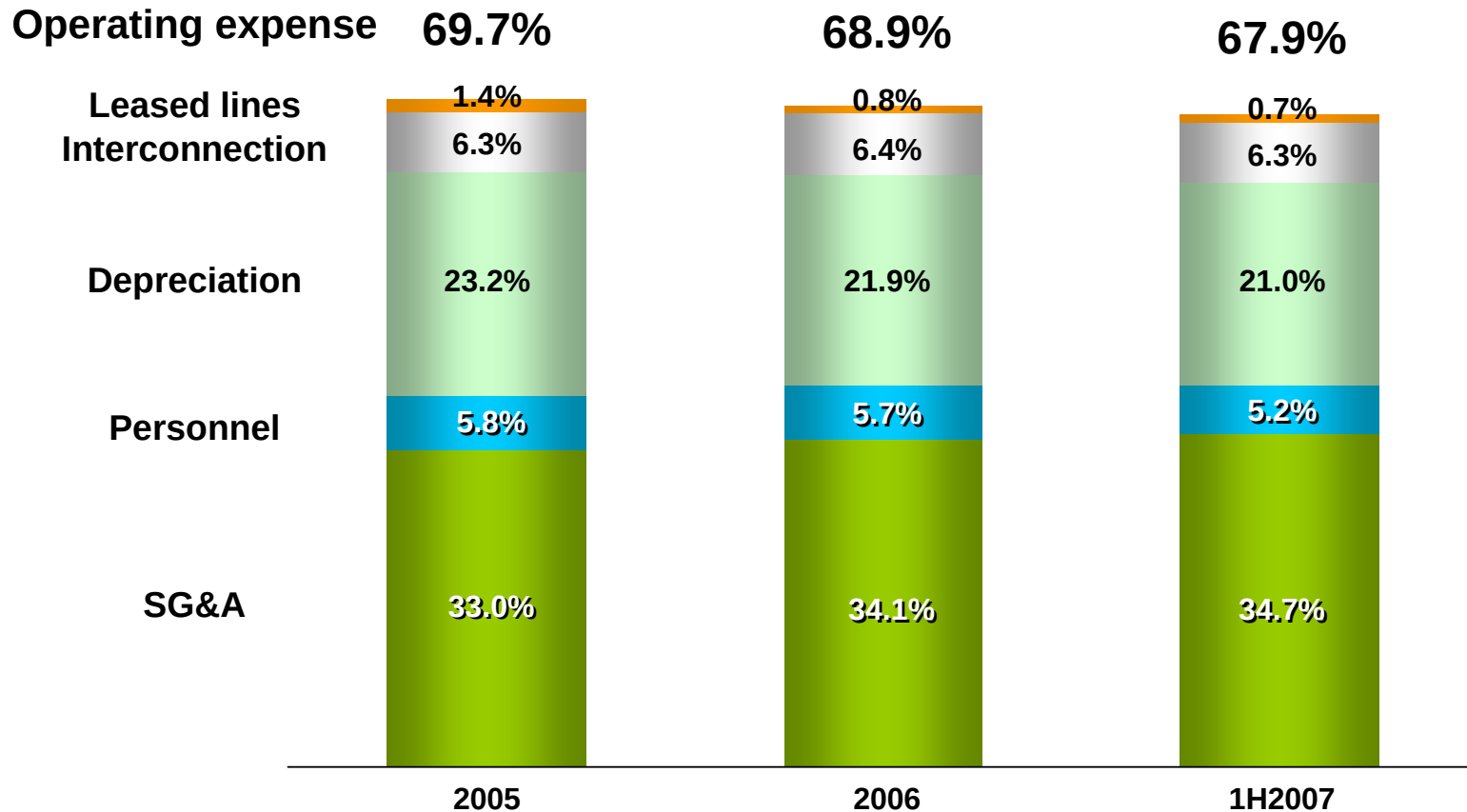
Others

Sources of Revenue Growth

(RMB Million)



Cost Composition



Note: The above data are expressed as a percentage of operating revenue

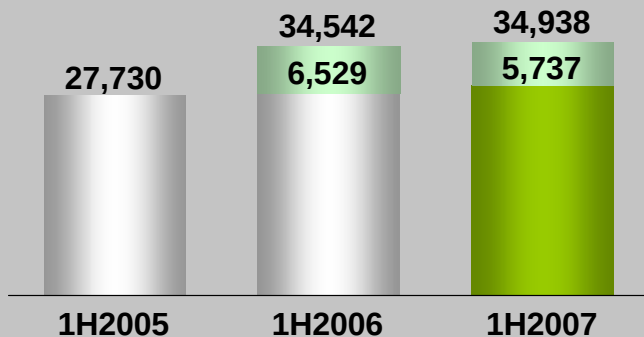
Revision of Assets' Estimated Useful Lives

Along with the maturity of new technology and under our prudent financial principle, the Company has revised the estimated useful lives of existing switching center equipment (excluding soft switching center equipment that conforms with the new generation technology) from 7 years to 5 years.

Having considered the effect on net profit resulted from the revision of estimated useful lives, the Company plans to distribute a special dividend for the full year of 2007. The special interim dividend was HK\$0.085 per share.

Depreciation

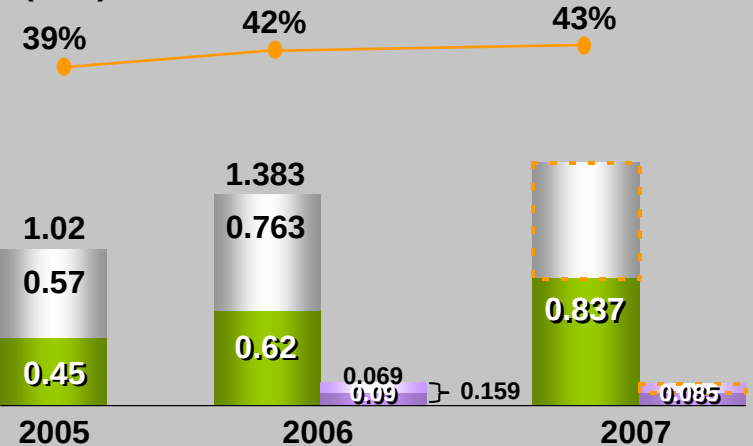
(RMB Million)



 Effect of assets estimated useful lives revision

Dividend and Payout Ratio

(HK\$)



 Interim Dividend  Final Dividend
 Special Interim Dividend  Special Final Dividend
 Payout Ratio

Effective Cost Resource Allocation

Enhancing future competitiveness

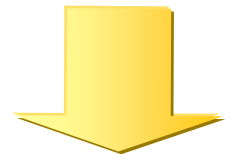


Strong business development

Revenue up 21.6%
Subscribers up 21.4%
Voice usage volume up 45.6%

Significant economies of scale

Cost to revenue down 1.5 ppt.
Average operating expense per minute down 18.4%
Average monthly operating expense per subscriber down 1.2%



Sales
channel

Customer
care

Network
optimization

System
support

R&D

Rational
investment

Effective cost
allocation

Refined
management

Proactive
planning

Operating expense up 18.9%

Solid Capital Structure and Strong Credit Profile



(RMB Million)	31.12.2006	30.06.2007
Short Term Debt	5,276	4,330
Long Term Debt	33,574	33,578
Total Debt	38,850	37,908
Shareholders' Equity	319,002	341,707
Total Book Capitalization	357,852	379,615
Total Debt / Total Book Capitalization	10.9%	10.0%
Cash & Bank Deposits	153,461	185,271
Net Cash	114,611	147,363
Interest Coverage	63X	64X

Credit Rating

S&P's

A / Stable

A / Positive

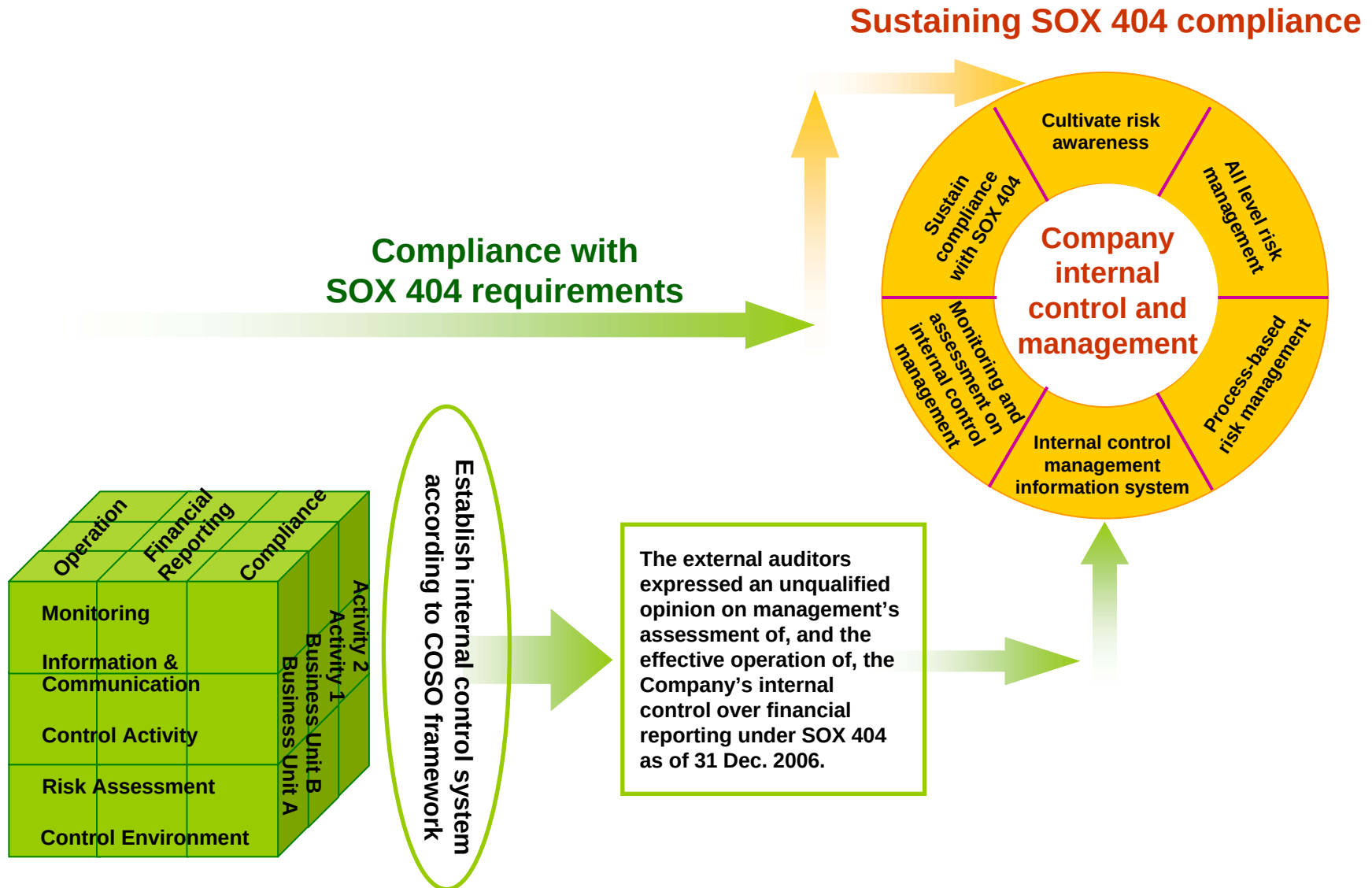
Moody's

A2 / Positive

A1 / Stable

Note: Net cash represents Cash & Bank Deposits minus Total Debt

Sarbanes-Oxley: Sustaining Compliance & Creating Business Value



中國移動有限公司
China Mobile Limited
www.chinamobileltd.com

THANK YOU



Extracts from unaudited consolidated income statement for the 6 months ended 30 June 2007 – Appendix I



(RMB Million)

1H2006

1H2007

Operating revenue

Usage fees	87,806	107,661
Monthly fees	12,867	10,176
Value-added services fees	30,926	41,915
Other operating revenue	5,380	6,828
	<u>136,979</u>	<u>166,580</u>

Operating expenses

Leased lines	1,230	1,180
Interconnection	8,946	10,488
Depreciation	34,542	34,938
Personnel	7,990	8,667
Other operating expenses	42,417	57,802
	<u>95,125</u>	<u>113,075</u>

Profit from operations 41,854 53,505

Profit from operations (con't)

	41,854	53,505
Other net income	1,847	1,264
Non-operating net income	179	248
Interest income	1,123	1,709
Finance costs	(610)	(855)
Taxation	<u>(14,187)</u>	<u>(17,906)</u>
Profit for the period	<u>30,206</u>	<u>37,965</u>

Attributable to: Equity shareholders of the Company

	30,168	37,907
Minority interests	38	58
Profit for the period	<u>30,206</u>	<u>37,965</u>

Extracts from unaudited consolidated balance sheet as at 30 June 2007 – Appendix II



(RMB Million)	Audited at 31.12.2006	Unaudited at 30.6.2007
Current assets	171,507	204,007
Non-current assets	323,169	340,251
Total assets	<u>494,676</u>	<u>544,258</u>
Current liabilities	(140,607)	(167,769)
Non-current liabilities	(34,696)	(34,353)
Total liabilities	<u>(175,303)</u>	<u>(202,122)</u>
Net assets	<u><u>319,373</u></u>	<u><u>342,136</u></u>

	2006	1H2007
Contract Subscribers (Million)	65.269	67.354
Prepaid Subscribers (Million)	235.963	265.024
Blended/Contract/Prepaid MOU (Minutes)	381/671/293	440/794/346
Blended/Contract/Prepaid ARPU (RMB)	90/207/55	88/216/55
Average Revenue per Minute (RMB)	0.236	0.201
Value-added Business Users (Million)	270.384	314.853
SMS Usage (Billion Messages)	353.384	235.376
Average Monthly Churn Rate (%)	2.73%	2.72%

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 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.