

19 March 2015

For Immediate Release

**Press Release****China Mobile Limited Announces 2014 Annual Results  
Remarkable 4G Developments  
Steady Development in Overall Performance**

- Operating revenue was RMB641.4 billion, up 1.8%; of which, revenue from telecommunications services was RMB581.8 billion, down by 1.5%
- EBITDA was RMB235.3 billion, down by 2.1%
- Profit attributable to equity shareholders was RMB109.3 billion, down by 10.2%
- Total customers over 800 million, up 5.1%
- Proposed final dividend of HK\$1.380 per share, together with an interim dividend of HK\$1.540 per share already paid, total dividend for 2014 amounting to HK\$2.920 per share, representing a dividend payout ratio of 43%

China Mobile Limited (hereinafter the “Company” or the “Group”) (HKEx:941) (NYSE:CHL) announces its 2014 annual results today.

2014 was an extraordinary year for China Mobile. Facing a complicated development landscape, the Group proactively aligned with the development trends of mobile Internet, focused on the strategic vision of “Mobile Changes Life”, accelerated strategic transformation and intensified reform. The Group firmly seized the valuable opportunities arising in the first year of full 4G commercialization, endeavored to promote transcending 4G developments with tremendous efforts and thereby, accomplished remarkable results and established new competitive advantages. Through promoting the transition from voice-centric to data-centric operations and facilitating the transformation and upgrade towards mobile Internet era, the Company maintained a favorable momentum of steady development in overall performance.

In 2014, the transformation from business tax to value-added tax and the adjustments of interconnection settlement standards had significant impact on the Group’s financial results, and the Group’s operating revenue was RMB641.4 billion, up by 1.8% compared to the previous year, of which, revenue from telecommunications services was RMB581.8 billion, down by 1.5% compared to the previous year. Data business showed a positive growth momentum with revenue of RMB253.1 billion, up by 22.3% compared to the previous year and as a percentage of revenue from telecommunications services increased to 43.5%, of which, revenue from wireless data traffic reached RMB153.9 billion, up by 42.2% compared to the

previous year. Data traffic business became the primary driver of revenue growth, leading to a further optimized revenue structure. The Group proactively optimized its resources allocation, directing resources to key areas affecting its core competitiveness including accelerating 4G development, enhancing network capabilities and improving customer services quality. Profit attributable to equity shareholders decreased by 10.2% compared to the previous year to RMB109.3 billion, and the margin of profit attributable to equity shareholders was 17.0%. EBITDA was RMB235.3 billion, down by 2.1% compared to the previous year, and EBITDA margin<sup>1</sup> was 36.7%. EBITDA was 40.4% of revenue from telecommunications services. The Group continued to maintain favorable profitability.

Leveraging on its first-mover advantages in 4G, the Group swiftly established its 4G network capabilities. The Group started up 720,000 4G base stations and established the world's largest quality 4G network covering a population of more than one billion people, realizing nationwide continuous coverage in almost all cities and counties as well as data hotspot coverage in developed rural towns and villages. The Group proactively guided the development of the device supply chain to launch 4G devices of more diversified models at more affordable prices. The Group accelerated its customer migration to 4G network by offering new integrated tariff plans and providing more convenient and quicker upgrade services, and the number of its 4G customers demonstrated an accelerating growth momentum. As at the end of December 2014, the Group's 4G customer base exceeded 90 million and 4G customers' DOU reached 780M. Meanwhile, the Group has launched 4G international roaming services in 71 countries and regions, and accelerated the global development of TD-LTE through the efforts of GTI (Global TD-LTE Initiative).

Seizing the opportunities arising from the rapid 4G developments and popularization of smart devices, the Group actively expanded the market focusing on the three major drivers of its operations comprising existing customers and business, data traffic and corporate customer services, and maintained stable growth in business development.

The Group maintained a stable customer base. As at the end of December 2014, the Group had over 800 million customers, representing a growth of 39.43 million customers compared with the end of 2013. The Group achieved a stable retention of middle-to-high-end customers.

The Group's data traffic operation experienced rapid developments. Mobile data traffic increased by 115.1% compared to the previous year. Revenue from mobile data traffic increased by 42.9%, increased its contribution to 25.9% of telecommunications services revenue and becoming the primary driver of revenue growth.

The Group made remarkable achievements in corporate customer operations. Revenue from informationalization services increased by 24.8% compared to the previous year, leading to an evident increase in market share.

The Group once again achieved prominent results in device sales. In 2014, the Group achieved a record sales volume, which significantly accelerated customer migration from 2G and 3G networks to 4G network.

---

<sup>1</sup> EBITDA margin = EBITDA/Operating revenue

Based on the Group's operating performance in 2014 and taking into consideration of its long term future development, in accordance with the dividend payout ratio of 43% planned for the full financial year of 2014, the Board recommends payment of a final dividend of HK\$1.380 per share for the financial year ended 31 December 2014. This, together with the interim dividend of HK\$1.540 per share that was paid, amounts to an aggregate dividend payment of HK\$2.920 per share for the full financial year of 2014.

In 2015, taking into consideration of various relevant factors, including the Group's overall financial condition, cash flow generating capability and future sustainable development needs, the Company's planned dividend payout ratio for the full year of 2015 will be 43%.

The Board believes that the Company's favorable profitability and healthy cash flow generating capability will be able to provide sufficient support to its future development, while providing shareholders with a favorable return.

Looking ahead, as China's economic development has entered a new phase with new norms, the Chinese government will endeavor to maintain stable economic growth, implement key projects including information networks and integrated circuits, formulate the "Internet+" Plan and promote the combination of mobile Internet, Internet of Things, cloud computing, mega data, etc. with modern manufacturing industries, creating a favorable macro-environment for the development of the information and communications industry. In the meantime, in light of the accelerated innovation of information technology, the accelerated development of smart devices and the complete opening up of the 4G era, social dependence on digital lifestyle has become more entrenched. The demand for digital services such as mobile healthcare, mobile education and mobile finance continues to increase, and will form a new round of consumer demand. All of these will open up a broad market for the sustainable development of the industry.

Nonetheless, the Company is facing severe challenges from intensified competition from two aspects. With respect to competition in Internet, cross-generation innovation and cross-sector competition are endlessly emerging while the substitution effect of OTT business has become more intensified, branching into competition for customers, network bypass and re-shaping of the industry landscape. With respect to competition within the industry, the competition among traditional operators focusing on existing customers and business and data traffic will be further intensified, with a more diverse range of competitors in a more complex competitive landscape. In addition, adjustments of the relevant government policies will also lead to considerable impacts on the Company's development.

Looking ahead, the Group will focus on the strategic vision of "Mobile Changes Life", firmly seize the favorable opportunities arising during the golden period of data traffic operation and for developing digital services, accurately embrace the development trends of the three growth curves in voice, data traffic and digital services, continue to adhere to quality and efficiency, promote business redeployment, innovation and strategic transformation to strive for breakthrough. The Group will persistently bolster its leading advantages in 4G business, foster digital services and further reform in its system and mechanism to cultivate new prospects for sustainable and health developments amid the mobile Internet era.

### *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 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. Chen Gong or Ms. Rainie Lei

Telephone: 852-31218888

Facsimile: 852-31218809