



China Netcom Announces Revenues and Operational Data for 1Q07

Hong Kong, April 19, 2007 – China Netcom Group Corporation (Hong Kong) Limited (“China Netcom” or “the Company”) (HKSE: 906; NYSE: CN), a leading broadband and telecommunications company in China, today announced its unaudited revenues and certain selected operational data for the first quarter of 2007.

For the first quarter of 2007, the Company recorded revenues of RMB21,026 million, including upfront connection fees of RMB453 million. Excluding upfront connection fees, the Company recorded revenues of RMB20,573 million for the first quarter of 2007.

On 28 February 2007, the Company completed the disposals of its telecommunication assets in Guangdong Province and Shanghai Municipality. Excluding the effects of the disposed assets and the upfront connection fees, the Company recorded revenues of RMB20,031 million for the first quarter of 2007, representing an increase of 0.2% over the same period of last year. (unless otherwise specified, all data in the subsequent sections exclude operations of the Company in Guangdong Province and Shanghai Municipality.)

In the first quarter of 2007, the Company increased its efforts in the development of high-growth businesses with a focus on, among others, broadband services, value-added services and Information and Communications Technology (ICT) services. The high-growth businesses sustained a rapid growth momentum. The number of broadband subscribers was 15.945 million by the end of the first quarter, representing a net increase of 1.516 million from the total number of 14.429 million subscribers in the Company’s northern service region as at the end of last year and an increase of 32% over the same period last year. The Average Revenue Per User (ARPU) of broadband services remained stable. The number of “Personalised Ring” subscribers grew from 3.725 million as at the end of last year to 19.483 million, representing an increase of 127.6% over the same period last year. The volume of PHS short messages reached 2,082 million, representing an increase of 5.6% over the same period last year.

During the first quarter of 2007, the Company launched its ICT services in full scale and

rationalized the service routine of its ICT business as it improved the internal organizational mechanism and the model for external co-operation. The revenues from the Company's ICT services continued to grow rapidly in the first quarter of 2007.

The Company's traditional fixed-line voice communications business still faced stiff challenges in the first quarter of 2007. However, the number of fixed-line subscribers reversed the downward trend in the fourth quarter of 2006 and reached 114.742 million, representing a net increase of 0.77 million from 113.972 million in the Company's northern service region as at the end of last year.. As at the end of March, 2007, the Company completed intelligent upgrades of the local fixed-line networks in all its service areas, laying a solid foundation for a full launch of the bundled service packages under the brand "Family 1+" in the second quarter.

"In 2007, we will utilize bundled and convergence services to lessen the effects brought about by the decline in traditional fixed-line businesses. We will take full advantage of the forthcoming Olympic Games to increase penetration of broadband and make new breakthroughs in high-growth businesses such as broadband access, broadband content and applications as well as ICT (Information and communications technology) services," commented Zhang Chunjiang, Chairman of China Netcom, "We will promote innovation in such areas as tariff, services, branding, and organization to accommodate changes in the market. We will prepare ourselves for mobile services and accelerate network convergence, with a view to providing our customers with multidimensional services."

"Following the completion of upgrading of our local fixed network to embrace intelligent functionalities, we shall improve the service-bundling features and pricing models for services under the "Family 1+" brand in order to stimulate usage volume per subscriber. We shall roll out in a large scale the "Family 1+" brand bundled-service packages in our service region and Economy Phones for subscribers in rural areas. The various initiatives we have been implementing since 2006 to retain our traditional fixed line business through bundled services are expected to gradually exhibit their prescribed effects in 2007. We will continue to focus on CAPEX controls in 2007 to achieve a higher CAPEX utilization rate," commented Zuo Xunsheng, Chief Executive Officer of China Netcom.

About China Netcom:

China Netcom is a leading broadband communications and fixed-line telecommunications operator in China. Its service regions in China consist of Beijing Municipality, Tianjin Municipality, Hebei Province, Henan Province, Shandong Province, Liaoning Province, Heilongjiang Province, Jilin Province, Neimenggu Autonomous Region and Shanxi Province. In these service regions, the Company is a dominant provider of fixed-line telephone services, broadband and other Internet-related services, as well as business and data communications services.

Disclaimer

This press release includes "forward-looking statements". All statements, other than statements of historical facts, that address activities, events or developments that China Netcom expects or anticipates will or may occur in the future (including but not limited to projections, targets, estimates and business plans) are forward-looking statements. China Netcom's actual results or developments may differ materially from those indicated by these forward-looking statements as a result of various factors and uncertainties, including but not limited to the level of demand for telecommunications services; competitive forces in more liberalised markets; the effects of tariff reduction initiatives; changes in the regulatory policies and other risks and factors beyond China Netcom's control. In addition, China Netcom makes the forward-looking statements referred to herein as of today and undertakes no obligation to update these statements.