



To: Business/Finance Editors (For Immediate Release)

**CHINA COMMUNICATIONS FACILITIES SERVICES CORPORATION LIMITED
TO BE UNVEILED BY THE BIG-3 BASIC TELECOMMUNICATIONS OPERATORS**

Hong Kong, 11 July 2014 – China Mobile Communication Company Limited (“China Mobile”), China United Network Communications Limited (“China Unicom”) and China Telecom Corporation Limited (“China Telecom”) have jointly entered into *the promoter’s agreement* on Jul. 11, 2014, whereas they would make investment in cash for the establishment of China Communications Facilities Services Corporation Limited (the name of the Company is subject to the business registration). China Mobile, China Unicom and China Telecom will hold 40.0%, 30.1% and 29.9% in the newly-established company, respectively, by contributing cash of RMB4 Bn, RMB3.01 Bn and RMB2.99 Bn, respectively. China Communications Facilities Services Corporation Limited will engage itself in the construction, maintenance and operation of telecommunication towers and their supporting facilities, including machine rooms, power supply and AC system for the base stations and the indoor distribution system, as well as the maintenance agent service for base station equipment (the business scope of the Company is subject to the business registration).

The proposed establishment of China Communications Facilities Services Corporation Limited represents a key step to deepen reform and promote industrial upgrading. In terms of the industrial development, this initiative will be conducive to reduce the redundant infrastructure development, ease the bottleneck for tower location, enhance efficiency in industrial investment and further promote the resource conservation and environmental protection. In terms of the Big-3 basic telecommunications operators, this initiative will facilitate their efforts to increase operational efficiency, as it will help activate its existing assets, lower capital expenditure, and better cash use, enabling operators to prioritize key businesses, sharpen competitiveness, accelerate transformation and upgrading, and finally provide better services for their users.

The proposed establishment of China Communications Facilities Services Corporation Limited also stands for a key step toward international standards for specialization. From the international practices, the establishment will respond to the development trends for global telecommunications industry, as dedicated tower operators have prevailed in most countries.

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The Company would like to caution readers about the forward-looking nature of some of the statements in this press release. These forward-looking statements are subject to various risks and uncertainties, including future changes in our competitive and regulatory environment, future growth rates of the Chinese economy and its telecommunications industry, changes in telecommunications-related technologies and applications, changes in the political, economic, legal, tax and social conditions in the PRC and other factors that will affect the execution of our business plans and strategies.

For media enquiries, please contact:
China Unicom (Hong Kong) Limited
Mr. Xiaoke Zhou / Ms. Joanna Rui

Tel: (852) 2126 2018

Email: media@chinaunicom.com.hk