



Jan 20, 2000

CWHKT CSL DISAGREES WITH TA FINDINGS ON SIMULTANEOUS PRICE CHANGES FOR MOBILE PHONE SERVICES

(CWHKT CSL reiterates that the company did not participate in any arrangement with other mobile operators to raise prices. In fact, we lowered them. Our price changes on 2 January were an absolute price decrease for 1010 customers and a net decrease in the per minute rate for One-2-Free customers. Yet, the TA failed to acknowledge in his statement that our price changes were not in line with the increases which caused this investigation. Therefore CWHKT CSL does not agree with TA findings.

Nevertheless, we will give all customers the option to choose which plan they prefer - the previous one or the new one. We doubt that our customers will wish to pay more for their service, but to avoid any confusion on this matter, we are pleased to offer either plan to anyone who wants to change.

CSL cooperated fully with the TA investigation of the mobile price changes. We provided an explanation of the timing and basis of our decisions. We also provided documentary evidence proving that our decision was an independent one based on the market situation in December and could not have been influenced by any price changes our competitors may or may not have been considering. The TA appears to have ignored this evidence in reaching his conclusions.

We want the public to understand that we did not violate the terms of our licence and that our price changes were to the benefit of our customers.