

**AUCTION OF RADIO SPECTRUM IN THE 1800 MHz BAND
FOR EXPANSION OF PUBLIC MOBILE
TELECOMMUNICATIONS SERVICES**

PROVISIONAL SUCCESSFUL BIDDER NOTICE

This is a notice referred to in paragraph 4.13.1 of the Notice dated 24 April 2009 issued by the Telecommunications Authority (the “Authority”) in exercise of the powers conferred by section 32I of the Telecommunications Ordinance, the Telecommunications (Level of Spectrum Utilization Fees) (Second Generation Mobile Services) Regulation, the Telecommunications (Determining Spectrum Utilization Fees by Auction) Regulation and all other powers enabling him to specify the terms and conditions of the Auction and the payment of the Spectrum Utilization Fees. Unless otherwise stated or the context otherwise requires, words and expressions used in this notice have the same meaning as that given to them in the Notice.

2. The Authority is pleased to announce that the Bidding Stage has been completed today (10 June 2009). The result of the Bidding Stage is set out below:

Frequency Band	MHz	Bandwidth of the Frequency Band	Provisional Successful Bidder	Upfront Spectrum Utilization Fee
P1	1784.1 – 1784.9 1879.1 – 1879.9	0.8 MHz x 2	SmarTone Mobile Communications Limited	HK\$7,130,000
P2	1783.3 – 1784.1 1878.3 – 1879.1	0.8 MHz x 2	China Mobile Hong Kong Company Limited	HK\$7,320,000
P3	1782.5 – 1783.3 1877.5 – 1878.3	0.8 MHz x 2	China Mobile Hong Kong Company Limited	HK\$7,800,000
P4	1781.7 – 1782.5 1876.7 – 1877.5	0.8 MHz x 2	SmarTone Mobile Communications Limited	HK\$7,410,000

P5	1780.9 – 1781.7 1875.9 – 1876.7	0.8 MHz x 2	Hong Kong Telecommunications (HKT) Limited	HK\$8,220,000
P6	1780.1 – 1780.9 1875.1 – 1875.9	0.8 MHz x 2	Hong Kong Telecommunications (HKT) Limited	HK\$8,220,000

3. In addition to the Upfront Spectrum Utilization Fee, the use of the frequency bands will be subject to payment of annual spectrum utilization fees (for the period from 30 September 2009 to 29 September 2011, HK\$145 for every 1 kHz or part of every 1 kHz per year; and for each period from 30 September 2011 to 29 September 2021, HK\$1,450 for every 1 kHz per year or 5% of the network turnover in the year concerned (whichever is the higher)).

4. Pursuant to paragraphs 5.1.1 and 5.2.1 of the Notice, each of the Provisional Successful Bidders is required to:

- (a) within two (2) Business Days after the date of this Provisional Successful Bidder Notice, notify the Authority whether it is subject to an Approval and if so, the details of that Approval; and
- (b) within fifteen (15) Business Days after the date of this Provisional Successful Bidder Notice, pay to the Authority in cash the Upfront Spectrum Utilization Fee payable by it.

Telecommunications Authority
10 June 2009