



CHINA NETCOM GROUP CORPORATION (HONG KONG) LIMITED

中國網通集團(香港)有限公司

(Incorporated in Hong Kong with limited liability under the Companies Ordinance)

(Stock Code: 906)

ANNOUNCEMENT

China Netcom (Group) Company Limited, a wholly owned subsidiary of China Netcom Group Corporation (Hong Kong) Limited (the “Company”), has obtained an approval for filing of the offering of commercial paper with a total amount of RMB20 billion and has completed the issue of the first tranche of commercial paper of an amount of RMB10 billion.

The Board of Directors of China Netcom (Group) Company Limited, a wholly owned subsidiary of the Company, passed a resolution on 15 May 2006 approving its offering of commercial paper with the outstanding amount not exceeding RMB20 billion (the “CP”).

On 14 July 2006, China Netcom (Group) Company Limited obtained an approval for filing from the People’s Bank of China with regard to its offering of the CP.

On 20 July 2006, China Netcom (Group) Company Limited completed the offering of the first tranche of the CP. The first tranche of the CP, with a maturity period of 365 days, were issued for the aggregate amount of RMB10 billion at an interest rate of 3.35% and with interests accruing from 24 July 2006.

The documents related to the offering of the CP have been published on the Chinamoney.com.cn and Chinabond.com.cn respectively at www.chinamoney.com.cn and www.chinabond.com.cn.

By Order of the Board
CHINA NETCOM GROUP CORPORATION
(HONG KONG) LIMITED
Zhang Chunjiang
Chairman

Hong Kong, 21 July 2006

As at the date of this announcement, the Board comprises Mr. Zhang Chunjiang, Mr. Zuo Xunsheng, Mr. Zhang Xiaotie and Mr. Miao Jianhua as executive Directors, Dr. Tian Suning, Ms. Li Liming, Mr. José María Álvarez-Pallete and Mr. Yan Yixun as non-executive Directors, and Mr. John Lawson Thornton, Mr. Victor Cha Mou Zing, Dr. Qian Yingyi, Mr. Hou Ziqiang and Mr. Timpson Chung Shui Ming as independent non-executive Directors.

Please also refer to the published version of this announcement in South China Morning Post.