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Profit Warning

This announcement is made by China Unicom (Hong Kong) Limited (the "Company", together with its subsidiaries, the "Group") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

In the first half of 2016, the Group's operation was on track as planned. Our mobile business has achieved initial success in overcoming operational challenges and the Group achieved a net addition of mobile billing subscribers of 8.39 million during the period, successfully turning around the downward trend in mobile subscribers for consecutive months last year. In the first half of 2016, the profit attributable to the equity shareholders of the Company is expected to decline by approximately 80% as compared to the same period of last year mainly because selling and marketing expenses increased significantly, and the addition of tower usage fee, higher energy charges and property rentals, etc. led to a substantial increase year-on-year in network, operation and support expenses. Nonetheless, it showed significant improvement from the loss attributable to the equity shareholders of the Company (excluding the gain on disposal of tower assets) of approximately RMB3.36 billion in the second half of last year. Going forward, the Group will deepen implementation of "Focus Strategies", innovation and cooperation development to drive gradual turnaround with full strength.

Caution Statement

The Board wishes to remind shareholders of the Company and investors that the above expected financial data are based on the preliminary assessment made by the management of the Company with reference to the information currently available and the unaudited management accounts of the Group, and have not been reviewed or audited by the auditors. Information to be disclosed in the announcement of the Company's 2016 interim results planned to be made on 17 August 2016 shall prevail. The Company's shareholders and investors are cautioned not to unduly rely on the above data. In the meantime, the Company's shareholders and investors are advised to exercise caution in dealing in the securities of the Company.

By order of the Board
China Unicom (Hong Kong) Limited
Yung Shun Loy Jacky
Company Secretary

Hong Kong, 29 July 2016

Certain statements contained in this announcement may be viewed as “forward-looking statements” within the meaning of Section 27A of the U.S. Securities Act of 1933 (as amended) and Section 21E of the U.S. Securities Exchange Act of 1934 (as amended). Such forward-looking statements are subject to known and unknown risks, uncertainties and other factors, which may cause the actual performance, financial condition or results of operations of the Company to be materially different from any future performance, financial condition or results of operations implied by such forward looking statements. In addition, we do not intend to update these forward-looking statements. Further information regarding these risks, uncertainties and other factors is included in the Company’s most recent Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission (the “SEC”) and in the Company’s other filings with the SEC.

As at the date of this announcement, the board of directors of the Company comprises:

Executive directors:	Wang Xiaochu, Lu Yimin, Li Fushen and Zhang Junan
Non-executive director:	Cesareo Alierta Izuel
Independent non-executive directors:	Cheung Wing Lam Linus, Wong Wai Ming, Chung Shui Ming Timpson, and Law Fan Chiu Fun Fanny