

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



China Tower Corporation Limited
中國鐵塔股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 0788)

**UNAUDITED KEY PERFORMANCE INDICATORS
FOR THE FIRST THREE QUARTERS OF 2019**

- ❖ Operating revenue was RMB57,041 million, up by 6.3% over the same period last year, of which
 - Revenue from tower business was RMB53,636 million, up by 4.1% over the same period last year
 - Revenue from indoor distributed antenna system (“DAS”) business was RMB1,924 million, up by 45.2% over the same period last year
 - Revenue from trans-sector site application and information (“TSSAI”) business was RMB1,355 million, up by 100.7% over the same period last year
- ❖ EBITDA was RMB41,774 million
- ❖ Profit attributable to the owners of the Company was RMB3,873 million, up by 97.5% over the same period last year

The board of directors (the “**Board**”) of China Tower Corporation Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) announces certain selected unaudited key financial and operating indicators of the Group for the first three quarters of 2019.

SELECTED UNAUDITED KEY PERFORMANCE INDICATORS

Financial Data

	For the period from 1 January 2019 to 30 September 2019 (RMB million)	For the period from 1 January 2018 to 30 September 2018 (RMB million)	Change
Operating revenue:	57,041	53,642	6.3%
Of which, revenue from			
Tower business	53,636	51,535	4.1%
DAS business	1,924	1,325	45.2%
TSSAI business	1,355	675	100.7%
EBITDA*	41,774	31,722	31.7%
Profit before taxation	5,070	2,569	97.4%
Profit attributable to the owners of the Company	3,873	1,961	97.5%
		As at 30 September 2019 (RMB million)	As at 31 December 2018 (RMB million)
Total Assets		335,862	315,364
Total Liabilities		154,372	134,862
Total Equity		181,490	180,502

* The Group applied the International Financial Reporting Standard 16 “Leases” (“IFRS 16”) for the year beginning on 1 January 2019. Had the Group not yet adopted IFRS 16, the EBITDA would have been RMB33,131 million on a comparative basis.

When applying the IFRS 16, the Group adopted the simplified transition approach and did not restate comparative amounts for the year/period prior to the first adoption, with the cumulative effect of initial adoption recognized as an adjustment to the opening balance of retained earnings. From the date of initial application (1 January 2019), the right-of-use assets are measured by new leases standard as if the new standards have had always been applied, and lease liabilities are measured at the present value of the remaining lease payments. For the nine months ended 30 September 2019, the depreciation of right-of-use assets and the interest of lease liabilities, amounted to RMB7,918 million and RMB947 million, are recorded as “Depreciation and Amortisation” and “Finance Costs”, respectively, to replace the corresponding leasing expenditure originally included in the “Site Operating Lease Charges”.

Operating Data

	As at 30 September 2019	As at 31 December 2018
Number of tower sites (thousand)	1,973.9	1,924.7
Number of tower tenants (thousand)	3,165.0	2,977.8
Average tenants per tower site (tower tenants/site)	1.60	1.55

Since 2019, the Group has continued to deepen the philosophy of resource sharing and actively implemented the "One Core and Two Wings (一體兩翼)" strategy, and has maintained overall stable operation. The Group developed an innovative construction and service model, promoting resource sharing and cultivating a win-win philosophy within the industry. By economically and efficiently satisfying the wireless communications coverage demands from telecommunications service providers ("TSP"), our TSP business has maintained sustained and stable development. The TSSAI business has achieved rapid and healthy growth through leveraging the advantages of resources and focusing on high-quality development. The Group has actively planned and taken multiple measures to cultivate our energy business for society-wide operations. As at 30 September 2019, the Group managed a total of 1,974 thousand tower sites. The number of tower tenants was 3,165 thousand, representing a net increase of 187 thousand tenants compared with the end of 2018. Average tenants per tower site was 1.60, showing a further improvement in the level of site co-location.

The Group's overall business performance maintained stable and healthy growth in the first three quarters of 2019, recording an operating revenue of RMB57,041 million, up by 6.3% over the same period last year, of which revenue from tower business was RMB53,636 million, up by 4.1% over the same period last year; revenue from DAS business was RMB1,924 million, up by 45.2% over the same period last year; revenue from TSSAI business was RMB1,355 million, up by 100.7% over the same period last year. The revenue from non-tower business accounted for 6.0% of total operating revenue for the period, increasing from 3.9% for the same period last year, representing a continuous improvement in our revenue structure. Also, the Group consistently promoted delicacy management and efficient operation to improve profitability. With the impact of the adoption of the IFRS 16, EBITDA of the Group was RMB41,774 million, with the EBITDA margin of 73.2%. Had the Group not yet adopted IFRS 16, the EBITDA margin would have been 58.1% on a comparative basis. In the first three quarters of 2019, profit attributable to the owners of the Company was RMB3,873 million, up by 97.5% over the same period last year.

The demand for in-depth 4G network coverage, the scaling of 5G network construction and the Internet of Things created opportunities in the market. In view of this, the Group will continue to adhere to the philosophy of resource sharing and deeply implement the "One Core and Two Wings (一體兩翼)" strategy, bolster the solid foundations of our TSP business, and attempt to achieve scaling of the Two Wings businesses, to drive the overall business for a sustainable growth. The Group will strive to create value continuously for the shareholders by sticking to accelerating innovation, enhancing delicacy management, as well as improving operational efficiency and profitability.

Caution Statement

The Board wishes to remind shareholders of the Company and investors that the above selected financial and operating data are based on the Group's internal records and management accounts and have not been reviewed or audited by independent auditors. The Company's shareholders and investors are cautioned not to unduly rely on such data. In the meantime, the Company's shareholders and investors are advised to exercise caution when dealing in the securities of the Company.

By Order of the Board
China Tower Corporation Limited
Tong Jilu
Chairman

Beijing, China, 18 October 2019

As at the date of this announcement, the Board of Directors of the Company comprises:

<i>Executive directors</i>	<i>: Tong Jilu (Chairman of the Board) and Gu Xiaomin (General Manager)</i>
<i>Non-executive directors</i>	<i>: Dong Xin, Shao Guanglu and Zhang Zhiyong</i>
<i>Independent non-executive directors</i>	<i>: Su Li, Fan Cheng and Tse Yung Hoi</i>