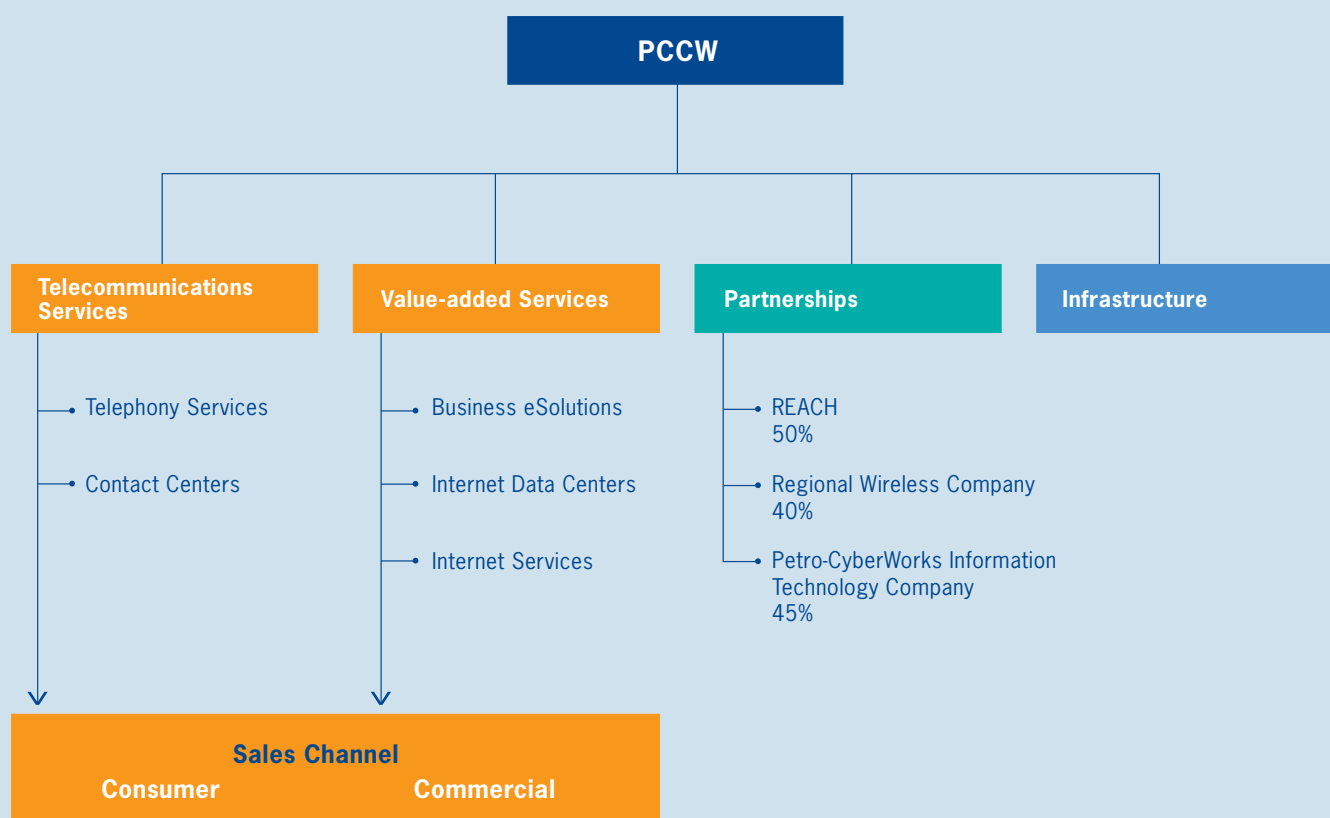


Corporate Overview



PCCW aims to add value to its consumer and commercial customers through providing quality based solutions supported by the highest levels of service. PCCW strongly believes that quality and service are key differentiators of its products in the markets in which it competes, enabling pricing power that will maintain the long-term sustainability of the business. Solutions are provided through Consumer and Commercial sales groups, which aggregate products from across the PCCW Group to provide solutions to specific market segments. Underpinning the sales groups are stand-alone businesses with separate management and financial reporting to provide accountability and transparency.

PCCW AT A GLANCE – HIGHLIGHTS OF MAJOR BUSINESS AREAS

Description	2001 Highlights*	Forecast
<p>Telecommunications Services (TSS) TSS provides local telephony, local data, international telecommunications and other services</p>	<ul style="list-style-type: none"> ■ HK\$19,973 million (US\$2,561 million) in revenues ■ HK\$9,961 million (US\$1,277 million) EBITDA, up 6 percent from 2000 ■ TSS successfully rebalanced its business, reducing reliance on IDD to focus on value-added services, data transmission services and broadband access lines ■ Wholesale broadband access lines increased by 43 percent to 402,000 year on year 	<ul style="list-style-type: none"> ■ To remain Hong Kong's leading fixed-line market player ■ Continue broadband penetration ■ Continue to improve network and operational efficiencies
<p>Value-added Services 1) Business eSolutions Provides end-to-end solutions from systems integration, application development, network integration, outsourcing and application management services and enterprise applications to support commercial customer requirements across Asia</p>	<ul style="list-style-type: none"> ■ Revenues of HK\$1,751 million (US\$224 million), up 46 percent from 2000 ■ Awarded several significant contracts in greater China ■ Launched Hong Kong's first Application Management Service Center ■ Established a team of professional software development experts to develop collaborative e-commerce and e-learning platforms 	<ul style="list-style-type: none"> ■ Continue focus on capturing greater China contracts ■ To focus on target areas of finance, enterprise, telecommunications and public sector
<p>2) Internet Data Centers Provides Internet data center services, such as managed hosting services, security services, network and facilities management and monitoring to customers throughout greater China, anchored by its Powerb@se brand</p>	<ul style="list-style-type: none"> ■ Revenues of HK\$185 million (US\$24 million), up 53 percent from 2000 ■ Broadened its customer base to approximately 800 from approximately 210 in 2000 ■ Powerb@se entered into customer referral agreements with a number of distressed data center operators 	<ul style="list-style-type: none"> ■ Extend the Powerb@se brand into greater China through alliances and ventures
<p>3) Internet Services Provides retail broadband and narrowband Internet access and associated value-added services</p>	<ul style="list-style-type: none"> ■ Revenues of HK\$1,311 million (US\$168 million), up 18 percent from 2000 ■ Consumer broadband Internet access subscriber growth of 60 percent to 311,000 ■ Introduced new value-added services: now.com.hk and multi-access packages 	<ul style="list-style-type: none"> ■ Continue growth in broadband ■ Continue enrichment of now.com.hk content, as exemplified by addition of channel-on-demand choices: Bloomberg Television, MTV, Fashion TV, Nickelodeon and BBC World
<p>Partnerships PCCW forms alliances with leading companies to best serve customers, while positioning the Company for long-term growth, such as the Asia-Pacific strategic alliance with Australia's Telstra</p>	<p>Reach</p> <ul style="list-style-type: none"> ■ Acquired Asian assets of Level 3 Communications, Inc. ■ Revenues of HK\$9,978 million (US\$1,279 million) for the 11 months to Dec. 31, 2001 <p>Regional Wireless Company (RWC)</p> <ul style="list-style-type: none"> ■ RWC revenue HK\$4,690 million (US\$601 million), a decrease of 9 percent from 2000 ■ EBITDA in 2001 up 15 percent from previous year to HK\$1,364 million (US\$175 million) ■ Awarded 3G license in Hong Kong 	<ul style="list-style-type: none"> ■ PCCW will continue to seek and evaluate alliance opportunities that best serve the Company's business objectives, and that will create a stable platform for future growth while building long-term shareholder value
<p>Infrastructure Manages an infrastructure and property portfolio in Hong Kong and China. It also engages in developments such as Hong Kong's technology-oriented Cyberport project, now under way in conjunction with the government of Hong Kong</p>	<ul style="list-style-type: none"> ■ Revenues of HK\$1,368 million (US\$175 million), up 89 percent from 2000 ■ In October opened Pacific Century Place Beijing, a 220,000 square-meter premium-grade business and residential complex ■ Cyberport project topping-out ceremony held in November 	<ul style="list-style-type: none"> ■ Phase I Cyberport to open mid-2002 ■ Remainder of Cyberport is expected to be completed in phases during 2002 and 2003, with the residential portion to be completed in phases between 2004 and 2007 ■ Cyberport residential presales forecast to start in Q1 2003

*US Dollar amounts approximate



TSS delivers telecommunications solutions using a customer-centric approach