

Forward-Looking Statements

This interim report contains forward-looking statements as defined in Section 21E of the United States Securities Exchange Act of 1934, as amended. These forward-looking statements are not historical facts. Rather, the forward-looking statements are based on the current beliefs, assumptions, expectations, estimates and projections of the directors and management of PCCW Limited (the "Company") about its business and the industry and markets in which it operates. These forward-looking statements include, without limitation, statements relating to revenues, dividends and earnings. The words "believe," "intend," "expect," "anticipate," "project," "estimate," "predict" and similar expressions are also intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond the Company's control and are difficult to predict. Consequently, actual results could differ materially from those expressed or forecast in the forward-looking statements. Factors that could cause actual results to differ materially from those reflected in the forward-looking statements include, (a) the continuing effects of deregulation of Hong Kong's telecommunications market and the Company's ability to deal with those effects; (b) the Company's ability to successfully expand its operations outside of Hong Kong; (c) the Company's ability to implement a business strategy involving potential business combinations, strategic investments and acquisitions; (d) the Company's substantial debt which may impair its ability to implement its business plans; (e) the Company's development of infrastructure projects; (f) the Company's participation in Reach Ltd. and other ventures; (g) the development of broadband markets and regulation relating to broadband access; (h) the Company's business activities in the broadband and integrated communications services market; (i) the pace of development of Internet and telecommunications markets in Asia, the growth in demand for services in those markets, and the Company's ability to successfully develop, and sustain demand for, services that respond to those demands in the face of strong competition; (j) changes in the market price and valuation of the Company's investments in publicly-traded and non-publicly traded securities and the Company's investments in ventures and associated companies; (k) the Company's ability to implement anticipated projects if it cannot obtain additional capital; (l) changes in the political, social, economic and regulatory environment in the countries in which the Company operates or intends to operate; and (m) the risk factors set out in the "Risk Factors" section of the Company's 2001 Annual Report on Form 20-F, as filed with the United States Securities and Exchange Commission on July 1, 2002 and published on the Company's website. Reliance should not be placed on these forward-looking statements, which reflect the view of the Company's directors and management as of the date of this report only. The Company undertakes no obligation to publicly revise these forward-looking statements to reflect events or circumstances that arise after publication.

Exchange Rates

This report contains translations of certain Hong Kong dollar amounts into US dollars, and vice versa, at the fixed rate of US\$1 = HK\$7.80, solely for illustrative purposes. This does not mean that the currency conversions have been, or could be, converted at that rate or at any other rate of exchange.