

This glossary contains certain definitions and other terms as they relate to the Company and the Group and as they are used in the Annual Report. These definitions may, or may not, correspond to standard industry definitions.

Analog

A type of mobile communications technology which transmits analog signals between base stations and mobile subscribers.

Average number of subscribers

For 1998, the average number of subscribers is the arithmetic average of the number of subscribers at the beginning and the end of the corresponding calendar year. For each of 1999, 2000 and 2001, it is the weighted average of the number of subscribers in each calendar month in that year. In this annual report, the average number of subscribers is used to calculate indicators such as Minutes of Usage Per User Per Month (MOU) and Average Revenue Per User Per Month (ARPU).

Base (transceiver) station

Base (transceiver) station refers to transmitters, receivers, and antennas serving each wireless network cell. Their transmission power will determine the radius of each cell.

BOSS

Business Operation Support System, which includes billing and collecting systems, customer care centers, and sales and marketing systems.

Cellular mobile telephone system

In a cellular mobile telephone system, the coverage of an operator is divided into various cells. Each cell corresponds to the area covered by a set of transmitters and receivers and is allocated a fixed set of frequencies.

Channel

For mobile communications, a channel is a pair of frequencies for signal transmission. There are two types of channels for GSM: voice channels for the transmission of voice and data; and control channels for the transmission of network management information and channel control information, and application data information such as short message services.

Digital mobile communications	A type of mobile communications technology which transmits digital signals between base stations and mobile subscribers. Digital signals are produced by modulating the analog signals.
GSM	Global System for Mobile Communications, a pan-European mobile telephone system based on digital transmission and cellular network architecture with roaming. GSM is the standard accepted in most of Europe, the Middle East, Africa, Australia and Asia (with the exception of, among others, Japan and South Korea).
Interconnection	The establishment of effective communication links between telecommunications networks so as to permit the subscribers of a telecommunications service operator to communicate with the subscribers of another telecommunications service operator or to utilize the telecommunications services provided by another telecommunications service operator.
IP	Internet Protocol, the standard communication protocol used in the exchange of information between terminals or network equipment over the Internet.
IP-based long distance call	IP-based long distance call refers to the encoding of long distance call voice signals using IP Protocol and transmitting them over an IP network. In this case, the voice signals are divided into several packets and each packet is sent separately instead of setting up and maintaining a voice channel between the calling and called parties for the duration of a call.
Mobile switching center	Mobile switching center processes communications between mobile subscribers and other subscribers (such as mobile subscribers, ISDN subscribers and fixed line subscribers, etc.). Mobile switching centre includes the necessary database for the storage of subscriber information and equipment to perform subscriber mobility functions.

M-Office

"Monternet" services introduced by the Group that target the corporate subscriber and individual business subscriber markets. These services include Virtual Private Mobile Network (VPMN) and total corporate application solutions, such as group IP phone and new businesses, such as integrated corporate internal information distribution.

M-Zone

"Monternet" services introduced by the Group that target the critical "youth" market. A variety of these popular "Monternet" services are directly embedded in each user's SIM card and can be readily activated and personalised.

Network utilisation rate

The ratio of the aggregate subscriber base to the capacity of the mobile telecommunications network. At present, the capacity of the mobile telecommunications network is calculated on the basis that each wireless voice channel can support 30 subscribers.

Penetration rate

The total number of subscribers (including the estimated subscribers using the services of other operators) divided by the total population in the designated area.

Roaming

A service which allows a subscriber to use his or her handset while outside of his or her home location. Roaming requires an agreement between operators in order to permit subscribers to access the other operator's system.

SIM card

Subscriber Identity Module card which is the necessary identification for subscribers to connect to the network and which contains a GSM encryption algorithm to ensure secure communications. The SIM card contains the personal identification number of the subscriber as well as basic subscriber data and network information.

VPMN

A flexible and convenient telecommunication service which is provided to the corporate customers by means of a dedicated logical network on the Group's mobile telecommunications network, utilising methodologies such as unique code planning. VPMN provides personalised services and a means for providing comprehensive solutions to the corporate customers.

3G (Third Generation mobile telecommunications technologies)

Third Generation mobile telecommunications technologies are focused on providing wireless broadband multi-media communications services including high-speed data services, imaging services and global roaming.