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PCCW Limited

電訊盈科有限公司

(Incorporated in Hong Kong with limited liability)
(Stock Code: 0008)

ANNOUNCEMENT PURSUANT TO LISTING RULE 13.09

PROPOSED SALE OF PCRD'S INTEREST IN THE COMPANY TO FIORLATTE LIMITED NOT TO PROCEED

PCCW Limited (the "Company") refers to its announcement dated 10 July 2006 (the "Announcement") concerning the proposed sale by Pacific Century Regional Developments Limited ("PCRD") of up to its entire interest in the Company, being approximately 22.62% of the current issued share capital of the Company, to Fiorlatte Limited (the "Proposed Sale").

Proposed Sale

The Proposed Sale was subject to and conditional upon a number of matters, including the passing of a resolution to approve the Proposed Sale by shareholders of PCRD entitled to vote on that resolution. At a meeting of the independent shareholders of PCRD held on 30 November 2006, the resolution to approve the Proposed Sale was not duly passed. Accordingly, a condition to completion of the Proposed Sale has not been fulfilled and the Proposed Sale will not now proceed.

Moreover, the Special PCD Payment (as defined in the Announcement) that would otherwise have been paid by Pacific Century Diversified Limited ("PCD") to the Company's Public Shareholders (as defined in the Announcement) had the conditions to the Proposed Sale been fulfilled and had Fiorlatte Limited made the First Payment (as defined in the Announcement), is not now payable and will not be so paid by PCD.

Other matters

Mr Li Tzar Kai, Richard, will continue in his role as Chairman of the Company. Under the continued chairmanship of Mr Li, the Directors are confident that the Company will continue to pursue innovative business strategies and market opportunities that will maximise value for the benefit of the Company and all shareholders.

PCRD has confirmed to the Company that neither it nor any of its directors or other representatives is presently engaged in any discussion with any third party concerning a possible sale of shares in the Company. The Company confirms that it is not presently engaged in any discussion with any third party concerning the possible sale of all or substantially all of its telecommunications and media-related assets.

At the request of the Company, trading in the shares of the Company on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") was suspended with effect from 9:30 a.m. on 30 November 2006 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for resumption of trading in the shares of the Company with effect from 9:30 a.m. on 1 December 2006.

By Order of the Board
PCCW Limited
Hubert Chak
Company Secretary

Hong Kong, 30 November 2006

The directors of the Company as at the date of this announcement are as follows:

Executive Directors:

Li Tzar Kai, Richard (Chairman);
So Chak Kwong, Jack (Deputy Chairman and Group Managing Director);
Peter Anthony Allen; Alexander Anthony Arena; Chung Cho Yee, Mico;
Lee Chi Hong, Robert; Dr Fan Xingcha

Non-Executive Directors:

Sir David Ford, KBE, LVO; Zhang Chunjiang; Dr Tian Suning (Deputy Chairman)

Independent Non-Executive Directors:

Prof Chang Hsin-kang; Dr Fung Kwok King, Victor;
Dr The Hon Sir Li Kwok Po, David, GBS, OBE, JP; Sir Roger Lobo, CBE, LLD, JP;
Aman Mehta; The Hon Raymond George Hardenbergh Seitz

Please also refer to the published version of this announcement in The Standard.