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新世界發展有限公司

New World Development Company Limited
(Incorporated in Hong Kong with limited liability)
(Stock Code: 17)



NEW WORLD MOBILE HOLDINGS LIMITED
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 862)

JOINT ANNOUNCEMENT

COMPLETION OF THE MERGER OF THE MOBILE TELECOMMUNICATIONS BUSINESSES OF HONG KONG CSL LIMITED AND NEW WORLD PCS LIMITED

**Sole financial adviser to
New World Development Company Limited**



**Joint financial advisers to
New World Mobile Holdings Limited**



Completion has taken place on 31 March 2006. Immediately after Completion, NWM, through NW SPV's equity holding in Telstra CSL, is interested in 23.6% of the Merged Group, which in turn owns and operates the Mobile Businesses after Completion.

INTRODUCTION

Reference is made to (i) the joint announcement dated 12 December 2005 issued by New World Development Company Limited ("NWD") and New World Mobile Holdings Limited ("NWM"); (ii) the circular (the "NWM Circular") dated 7 March 2006 issued by NWM; and (iii) the announcement dated 24 March 2006 issued by NWM. Terms used in this announcement shall have the same meanings as those defined in the NWM Circular unless the context requires otherwise.

COMPLETION OF MERGER AGREEMENT

All the conditions precedent to the Merger Agreement were fulfilled on 24 March 2006. Completion has taken place on 31 March 2006.

Immediately after Completion, NWM, through NW SPV's equity holding in Telstra CSL, is interested in 23.6% of the Merged Group, which in turn owns and operates the Mobile Businesses after Completion. The members of the NWPCS Group have ceased to be subsidiaries of NWD and NWM after Completion.

After Completion, the NWM Group will continue to (i) operate its technology-related businesses including mobile Internet services and information technology outsourcing services through the NWCS Group; and (ii) hold its 23.6% interest in the Merged Group through NW SPV's equity holding in Telstra CSL.

By Order of the Board of
New World Development Company Limited
LEUNG Chi-Kin, Stewart
Company Secretary

By Order of the Board of
New World Mobile Holdings Limited
Dr. WAI Fung-Man, Norman
Executive Director and Chief Executive Officer

Hong Kong, 31 March 2006

As at the date of this announcement, the NWD Board comprises: (i) executive directors: Dato' Dr. CHENG Yu-Tung, Dr. CHENG Kar-Shun, Henry, Dr. SIN Wai-Kin, David, Mr. LIANG Chong-Hou, David and Mr. LEUNG Chi-Kin, Stewart; (ii) non-executive directors: Mr. CHENG Yue-Pui, Mr. CHENG Kar-Shing, Peter, Mr. CHOW Kwai-Cheung, Mr. HO Hau-Hay, Hamilton and Mr. LIANG Cheung-Biu, Thomas and (iii) independent non-executive directors: Lord SANDBERG, Michael, Mr. YEUNG Ping-Leung, Howard, Dr. CHA Mou-Sing, Payson, JP, Mr. CHA Mou-Zing, Victor (as alternate director to Dr. CHA Mou-Sing, Payson) and Mr. LEE Luen-Wai, John, JP.

As at the date of this announcement, the NWM Board comprises (i) executive directors: Dr. CHENG Kar-Shun, Henry, Mr. DOO Wai-Hoi, William, JP, Dr. WAI Fung-Man, Norman, Mr. CHOW Yu-Chun, Alexander and Mr. TO Hin-Tsun, Gerald, (ii) non-executive directors: Mr. LO Lin-Shing, Simon and Mr. HO Hau-Chong, Norman; and (iii) independent non-executive directors: Mr. WEI Chi-Kuan, Kenny, Mr. KWONG Che-Keung, Gordon and Mr. HUI Chiu-Chung, JP.

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