

China Mobile interim profit disappoints investors

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Telecom giant China Mobile posted a worse-than-forecast rise in first-half net profit of 1.5 percent on Thursday, citing intensive competition and the spread of new mobile technologies.

Net profit rose to 62.2 billion yuan (\$9.77 billion) in the six months to June 30 compared to 61.28 billion yuan in the same period last year, the world's largest mobile carrier by number of accounts said.

"We faced a number of severe challenges including the increase in mobile penetration, intensified competition, as well as impact of new technologies and services that are replacing traditional [communications services](#)," it said.

"The group continued to lead the industry in terms of profitability."

The result was lower than analysts' expectations and the company's shares fell 5.03 percent to HK\$86.85 on the [Hong Kong stock exchange](#), which closed 0.45 percent lower.

In the first half of the year, the company's total customers increased 10.7 percent to more than 680 million, including an increase of 15.87 million 3G users to more than 67 million.

[China Mobile](#) said it would have 20,000 TD-LTE base stations, a new generation of wireless broadband technology, covering 13 cities in the second half of 2012, [Dow Jones](#) Newswires reported.

"Information and [communications technologies](#) will veer towards broadband, mobility and integration," said the company in the filing.

"With the development of the TD-LTE industry chain and its commercialisation on an international scale, the group will continue to gain momentum."

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