

## Financial Summary

For the Five-Years ended 31 December 2004  
(Expressed in millions of RMB, except per share data and per ADS information)

Selected financial summary, including selected consolidated income statement data and consolidated balance sheet data for relevant years presented below, were prepared in accordance with HK GAAP.

### Results

#### Selected Consolidated Income Statement Data

	2004	2003	2002	2001	2000
Operating revenue (Turnover):					
GSM Business	46,579	40,304	27,388	20,505	12,188
CDMA Business	24,220	16,623	3,224	—	—
Data, Internet and Long Distance Business	5,511	5,710	5,559	3,309	1,096
Paging Business	—	1,403	2,161	4,342	8,483
Total service revenue	76,310	64,040	38,332	28,156	21,767
Sales of telecommunications products	3,022	3,596	2,244	1,237	1,925
Total operating revenue	79,332	67,636	40,576	29,393	23,692
Operating expenses:					
Leased lines and network capacities	(7,398)	(4,320)	(1,583)	(853)	(1,158)
Interconnection charges	(7,517)	(5,921)	(3,230)	(2,073)	(1,380)
Depreciation and amortisation	(19,063)	(16,385)	(11,256)	(8,262)	(5,734)
Personnel	(4,526)	(4,575)	(3,335)	(2,487)	(1,770)
Selling and marketing	(18,945)	(15,157)	(5,981)	(3,613)	(2,492)
General, administrative and other expenses	(10,448)	(9,112)	(5,632)	(5,499)	(3,743)
Cost of telecommunications products sold	(3,479)	(3,652)	(2,236)	(1,342)	(2,193)
Total operating expenses	(71,376)	(59,122)	(33,253)	(24,129)	(18,470)
Operating profit	7,956	8,514	7,323	5,264	5,222
Loss on sale of discontinued operating (New Guoxin)	—	(663)	—	—	—
	7,956	7,851	7,323	5,264	5,222
Net financial (charges) income	(1,585)	(1,763)	(1,004)	180	395
Loss arising from terminations of CCF Arrangements	—	—	—	—	(1,194)
Other income (expenses), net	96	8	(16)	19	59
Profit before taxation	6,467	6,096	6,303	5,463	4,482
Taxation	(2,080)	(1,888)	(1,720)	(896)	(1,014)
Profit after taxation	4,387	4,208	4,583	4,567	3,468
Minority interests	—	9	15	35	(144)
Profit attributable to shareholders	4,387	4,217	4,598	4,602	3,324
Basic earnings per share (RMB)	0.349	0.336	0.366	0.367	0.297
Diluted earnings per share (RMB)	0.348	0.336	0.366	0.367	0.297
Basic earnings per ADS (RMB)	3.492	3.359	3.663	3.666	2.966
Diluted earnings per ADS (RMB)	3.480	3.355	3.663	3.666	2.966

## Financial Summary

For the Five-Years ended 31 December 2004  
(Expressed in millions of RMB)

### Selected Consolidated Balance Sheet Data

	2004	2003	2002	2001	2000
Property, plant and equipment, net	<b>118,904</b>	118,105	107,487	75,748	52,864
Current assets	<b>17,852</b>	22,243	31,902	50,331	57,983
Accounts receivable, net	<b>5,230</b>	5,472	4,327	2,498	1,545
Bank balances and cash	<b>4,655</b>	9,220	14,433	18,413	44,717
Total assets	<b>145,629</b>	149,838	149,628	128,278	113,057
Current liabilities	<b>46,124</b>	43,907	44,609	28,917	27,468
Payables and accrued liabilities	<b>16,786</b>	17,098	19,812	15,329	619
Short-term loans	<b>20,014</b>	18,173	15,330	7,933	8,501
Long-term loans	<b>26,137</b>	36,213	37,686	36,337	27,151
Total liabilities	<b>72,819</b>	80,223	82,409	65,394	54,721
Shareholders' equity	<b>72,810</b>	69,615	66,653	62,054	57,452