



## Consolidated Statement of Income (Unaudited)

for the six-month period ended 30 June 2003  
(Amounts in millions, except per share data)

	Note	Six-month periods ended 30 June	
		2003 RMB	2002 RMB (Audited)
<b>Operating revenues</b>	6	<b>39,536</b>	36,868
<b>Operating expenses</b>			
Depreciation and amortisation		<b>(10,859)</b>	(10,030)
Network operations and support		<b>(9,693)</b>	(10,019)
Selling, general and administrative		<b>(5,476)</b>	(4,517)
Other operating expenses		<b>(1,310)</b>	(1,404)
<b>Total operating expenses</b>		<b>(27,338)</b>	(25,970)
<b>Operating profit</b>		<b>12,198</b>	10,898
Net finance costs	7	<b>(176)</b>	(421)
Investment income		<b>2</b>	1
Share of profit from associates		<b>—</b>	9
<b>Profit before taxation and minority interests</b>	8	<b>12,024</b>	10,487
Taxation	9	<b>(2,743)</b>	(1,965)
<b>Profit before minority interests</b>		<b>9,281</b>	8,522
Minority interests		<b>(21)</b>	(39)
<b>Profit attributable to shareholders</b>		<b>9,260</b>	8,483
<b>Basic earnings per share</b>	11	<b>0.12</b>	0.12
<b>Weighted average number of shares</b>		<b>75,614</b>	68,317

The notes on pages 13 to 20 form part of these interim financial statements.