

| Financials (including amortisation of upfront connection fees) | 2003    | 2004           | Growth rate |
|--|---------|----------------|-------------|
| Operating revenue (RMB million)                                | 151,553 | <b>161,212</b> | 6.4%        |
| Operating profit (RMB million)                                 | 32,852  | <b>39,830</b>  | 21.2%       |
| EBITDA (RMB million)   | 79,449  | <b>87,000</b>  | 9.5%        |
| EBITDA Margin  | 52.4%   | <b>54.0%</b>   | 1.6PP       |
| Net profit*(RMB million)                                       | 13,882  | <b>28,023</b>  | —           |

| Financials (excluding amortisation of upfront connection fees) | 2003    | 2004           | Growth rate |
|--|---------|----------------|-------------|
| Operating revenue (RMB million)                                | 141,782 | <b>152,754</b> | 7.7%        |
| Operating profit (RMB million)                                 | 23,081  | <b>31,372</b>  | 35.9%       |
| EBITDA (RMB million)   | 69,678  | <b>78,542</b>  | 12.7%       |
| EBITDA Margin  | 49.1%   | <b>51.4%</b>   | 2.3PP       |
| Net profit* (RMB million)                                      | 4,111   | <b>19,565</b>  | —           |

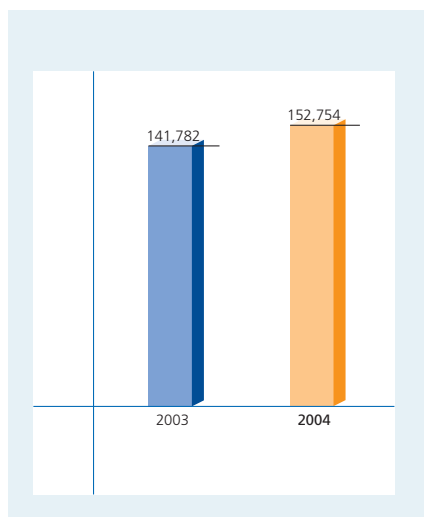
\* Net profit for 2003 were arrived at after deducting deficit on revaluation of property, plant and equipment (RMB14,832 million) and related tax impact arising from 10 newly acquired provincial subsidiaries.

Net profit for 2004 were arrived at after deducting deficit on revaluation of property, plant and equipment (RMB1,262 million) and related tax impact arising from across-the-board revaluation which was conducted every 3 years.

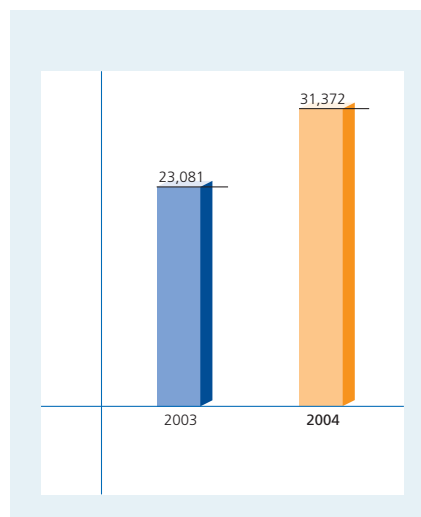
Please refer to note 2(g) and note 3 of the audited financial statements for the related accounting policy and result of the revaluation.

The charts below are based on financials excluding amortisation of upfront connection fees.

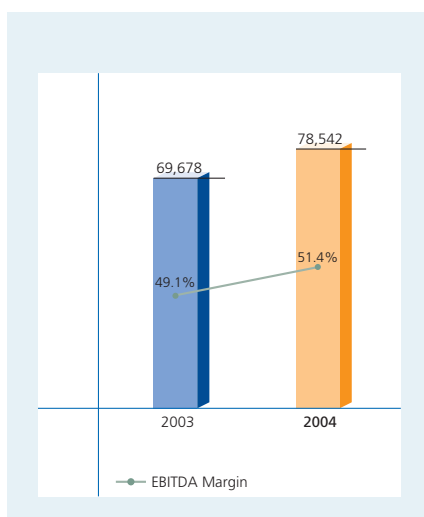
**Operating Revenue**  
(RMB million)



**Operating Profit**  
(RMB million)



**EBITDA**  
(RMB million)



**Net Profit**  
(RMB million)

