

## FINANCIAL SUMMERY

(Amounts in millions, except per share data)

	Year ended 31 December				
	2005 RMB	2004 RMB	2003 RMB	2002 RMB	2001 RMB
<b>Results</b>					
Upfront connection fees	6,781	8,458	9,771	10,564	10,942
Upfront installation fees	2,970	2,865	2,643	2,305	1,887
Monthly fees	30,351	29,827	27,499	25,338	20,491
Local usage fees	47,624	47,646	45,815	44,440	42,516
DLD	25,993	26,231	25,460	25,726	26,679
ILD	3,407	3,788	3,943	3,878	3,991
Internet	17,862	14,109	10,007	5,998	3,395
Managed data	2,958	3,015	3,210	3,147	2,660
Interconnections	12,838	10,719	8,365	7,524	6,712
Leased line	4,464	4,154	5,103	5,520	5,176
Value-added services and others	14,062	10,400	9,737	6,466	5,632
<b>Operating revenues</b>	<b>169,310</b>	161,212	151,553	140,906	130,081
Depreciation and amortisation	49,652	47,170	46,597	45,810	41,777
Network operations and support	47,793	43,070	44,118	46,215	46,359
Selling, general and administrative	27,393	27,003	24,810	20,585	18,879
Other operating expenses	5,518	4,139	3,176	3,188	2,352
<b>Operating expenses</b>	<b>130,356</b>	121,382	118,701	115,798	109,367
<b>Operating profit</b>	<b>38,954</b>	39,830	32,852	25,108	20,714
Deficit on revaluation of property, plant and equipment	–	(1,262)	(14,832)	(14,690)	(11,930)
Net finance costs	(4,895)	(5,340)	(3,606)	(4,071)	(2,228)
Investment (loss)/income	(7)	6	(42)	50	261
Share of profit from associates	62	29	35	38	22
<b>Profit before taxation</b>	<b>34,114</b>	33,263	14,407	6,435	6,839
Income tax	(6,160)	(5,187)	(469)	1,856	1,499
<b>Profit for the year</b>	<b>27,954</b>	28,076	13,938	8,291	8,338
<b>Attributable to:</b>					
Equity holders of the Company	27,912	28,023	13,882	8,219	8,352
Minority interests	42	53	56	72	(14)
<b>Profit for the year</b>	<b>27,954</b>	28,076	13,938	8,291	8,338
<b>Basic earnings per share</b>	<b>0.34</b>	0.36	0.18	0.12	0.12

**FINANCIAL SUMMARY** *(continued)**(Amounts in millions, except per share data)*

		<b>As at 31 December</b>			
	<b>2005</b>	2004	2003	2002	2001
	<b>RMB</b>	RMB	RMB	RMB	RMB
<b>Financial condition</b>					
Property, plant and equipment, net	<b>328,281</b>	320,179	309,896	311,241	312,326
Construction in progress	<b>23,567</b>	29,450	31,617	37,192	42,180
Other non-current assets	<b>28,625</b>	29,409	29,336	32,290	31,388
Cash and bank deposits	<b>15,413</b>	13,780	13,194	24,254	15,993
Other current assets	<b>21,250</b>	19,752	19,899	18,724	21,547
<b>Total assets</b>	<b>417,136</b>	412,570	403,942	423,701	423,434
Current liabilities	<b>156,976</b>	151,944	149,135	147,478	144,060
Non-current liabilities	<b>77,199</b>	100,007	102,744	88,012	108,914
<b>Total liabilities</b>	<b>234,175</b>	251,951	251,879	235,490	252,974
Total equity attributable to equity holders of the Company	<b>181,517</b>	159,206	150,794	187,025	169,472
Minority interests	<b>1,444</b>	1,413	1,269	1,186	988
<b>Total equity</b>	<b>182,961</b>	160,619	152,063	188,211	170,460
<b>Total liabilities and equity</b>	<b>417,136</b>	412,570	403,942	423,701	423,434