

# Consolidated Income Statement

for the year ended 31 December 2006  
(Amounts in millions, except per share data)

	Note	2006 RMB	2005 RMB
<b>Operating revenues</b>	20	<b>175,093</b>	169,310
<b>Operating expenses</b>			
Depreciation and amortisation		<b>(51,272)</b>	(49,652)
Network operations and support		<b>(30,723)</b>	(30,334)
Selling, general and administrative		<b>(22,214)</b>	(19,892)
Personnel expenses	21	<b>(26,019)</b>	(24,960)
Other operating expenses	22	<b>(6,255)</b>	(5,518)
<b>Total operating expenses</b>	23	<b>(136,483)</b>	(130,356)
<b>Operating profit</b>		<b>38,610</b>	38,954
Net finance costs	24	<b>(4,667)</b>	(4,895)
Investment loss		<b>(25)</b>	(7)
Share of profit from associates		<b>61</b>	62
<b>Profit before taxation</b>		<b>33,979</b>	34,114
Income tax	25	<b>(6,754)</b>	(6,160)
<b>Profit for the year</b>		<b>27,225</b>	27,954
<b>Attributable to:</b>			
Equity holders of the Company		<b>27,142</b>	27,912
Minority interests		<b>83</b>	42
<b>Profit for the year</b>		<b>27,225</b>	27,954
<b>Basic earnings per share</b>	30	<b>0.34</b>	0.34
<b>Weighted average number of shares</b>	30	<b>80,932</b>	80,932

The notes on pages 92 to 139 form part of these financial statements.