

FINANCIAL SUMMERY

(Amounts in millions, except per share data)

	Year ended 31 December				
	2005 RMB	2004 RMB	2003 RMB	2002 RMB	2001 RMB
Results					
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
Operating revenues	169,310	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
Operating expenses	130,356	121,382	118,701	115,798	109,367
Operating profit	38,954	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
Profit before taxation	34,114	33,263	14,407	6,435	6,839
Income tax	(6,160)	(5,187)	(469)	1,856	1,499
Profit for the year	27,954	28,076	13,938	8,291	8,338
Attributable to:					
Equity holders of the Company	27,912	28,023	13,882	8,219	8,352
Minority interests	42	53	56	72	(14)
Profit for the year	27,954	28,076	13,938	8,291	8,338
Basic earnings per share	0.34	0.36	0.18	0.12	0.12

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

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