

Consolidated Income Statement

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

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

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