

## Consolidated Income Statement

For the year ended 31 December 2007  
(Amounts in millions, except per share data)

	Note	2007 RMB	2006 RMB (restated)
<b>Operating revenues</b>	20	<b>178,656</b>	175,616
<b>Operating expenses</b>			
Depreciation and amortisation		<b>(52,257)</b>	(51,301)
Network operations and support		<b>(31,622)</b>	(31,055)
Selling, general and administrative		<b>(23,667)</b>	(22,259)
Personnel expenses	21	<b>(27,242)</b>	(26,210)
Other operating expenses	22	<b>(6,857)</b>	(6,255)
<b>Total operating expenses</b>	23	<b>(141,645)</b>	(137,080)
<b>Operating profit</b>		<b>37,011</b>	38,536
Deficit on revaluation of property, plant and equipment	3	<b>(2,755)</b>	–
Net finance costs	24	<b>(4,300)</b>	(4,489)
Investment income/(loss)		<b>83</b>	(25)
Share of profits of associates		<b>212</b>	61
<b>Profit before taxation</b>		<b>30,251</b>	34,083
Income tax	25	<b>(6,452)</b>	(6,759)
<b>Profit for the year</b>		<b>23,799</b>	27,324
<b>Attributable to:</b>			
Equity holders of the Company		<b>23,702</b>	27,241
Minority interests		<b>97</b>	83
<b>Profit for the year</b>		<b>23,799</b>	27,324
<b>Basic earnings per share</b>	30	<b>0.29</b>	0.34
<b>Weighted average number of shares</b>	30	<b>80,932</b>	80,932

The notes on pages 122 to 194 form part of these financial statements.