



# Consolidated Statement of Comprehensive Income

for the year ended 31 December 2010 (Amounts in millions, except per share data)

|   | Note | 2010<br>RMB      | 2009<br>RMB |
|---|------|------------------|-------------|
| <b>Operating revenues</b>   | 21   | <b>219,864</b>   | 209,370     |
| <b>Operating expenses</b>   |      |                  |             |
| Depreciation and amortisation   |      | <b>(51,656)</b>  | (52,243)    |
| Network operations and support  |      | <b>(47,288)</b>  | (42,903)    |
| Selling, general and administrative   |      | <b>(42,130)</b>  | (40,507)    |
| Personnel expenses  | 22   | <b>(35,529)</b>  | (32,857)    |
| Other operating expenses  | 23   | <b>(19,106)</b>  | (17,449)    |
| Impairment loss on property, plant and equipment  | 3    | <b>(139)</b>     | (753)       |
| <b>Total operating expenses</b>   | 24   | <b>(195,848)</b> | (186,712)   |
| <b>Operating profit</b>   |      | <b>24,016</b>    | 22,658      |
| Net finance costs   | 25   | <b>(3,600)</b>   | (4,375)     |
| Investment income   |      | <b>361</b>       | 791         |
| Share of profits of associates  |      | <b>131</b>       | 101         |
| <b>Profit before taxation</b>   |      | <b>20,908</b>    | 19,175      |
| Income tax  | 26   | <b>(5,031)</b>   | (4,549)     |
| <b>Profit for the year</b>  |      | <b>15,877</b>    | 14,626      |
| <b>Other comprehensive income for the year:</b>   |      |                  |             |
| Change in fair value of available-for-sale equity securities                                    |      | <b>132</b>       | 538         |
| Deferred tax on change in fair value of available-for-sale equity securities                    |      | <b>(48)</b>      | (120)       |
| Exchange difference on translation of financial statements of subsidiaries outside mainland PRC |      | <b>(48)</b>      | (2)         |
| Share of other comprehensive income from associates   |      | <b>(25)</b>      | -           |
| <b>Other comprehensive income for the year, net of tax</b>                                      |      | <b>11</b>        | 416         |
| <b>Total comprehensive income for the year</b>  |      | <b>15,888</b>    | 15,042      |
| <b>Profit attributable to:</b>  |      |                  |             |
| Equity holders of the Company   |      | <b>15,759</b>    | 14,422      |
| Non-controlling interests   |      | <b>118</b>       | 204         |
| <b>Profit for the year</b>  |      | <b>15,877</b>    | 14,626      |
| <b>Total comprehensive income attributable to:</b>  |      |                  |             |
| Equity holders of the Company   |      | <b>15,770</b>    | 14,763      |
| Non-controlling interests   |      | <b>118</b>       | 279         |
| <b>Total comprehensive income for the year</b>  |      | <b>15,888</b>    | 15,042      |
| <b>Basic earnings per share</b>   | 31   | <b>0.19</b>      | 0.18        |
| <b>Weighted average number of shares (in millions)</b>  | 31   | <b>80,932</b>    | 80,932      |