

Financial Summary

(Amounts in millions, except per share data)

	Year ended 31 December				
	2010 RMB	2009 RMB	2008 RMB	2007 RMB	2006 RMB
Results of operation					
Wireline voice	62,498	78,432	96,258	111,573	121,492
Mobile voice	28,906	20,027	3,955	-	-
Internet	63,985	51,567	40,727	31,802	24,308
Managed data and leased line	12,389	11,499	10,231	9,183	7,920
Upfront connection fees	497	1,151	2,022	3,294	4,971
Value-added services, integrated information application services and others	51,589	46,694	33,336	24,952	18,527
Operating revenues	219,864	209,370	186,529	180,804	177,218
Depreciation and amortisation	51,656	52,243	53,880	52,607	51,690
Network operations and support	47,288	42,903	36,096	29,856	29,487
Selling, general and administrative	42,130	40,507	27,501	24,130	22,442
Personnel expenses	35,529	32,857	28,946	27,419	26,390
Other operating expenses	19,106	17,449	10,794	9,051	8,209
Impairment loss on property, plant and equipment	139	753	24,167	-	-
Operating expenses	195,848	186,712	181,384	143,063	138,218
Operating profit	24,016	22,658	5,145	37,741	39,000
Deficit on revaluation of property, plant and equipment	-	-	-	(2,755)	-
Net finance costs	(3,600)	(4,375)	(5,076)	(4,288)	(4,472)
Investment income/(loss)	361	791	5	83	(25)
Share of profits of associates	131	101	112	215	61
Profit before taxation	20,908	19,175	186	30,996	34,564
Income tax	(5,031)	(4,549)	793	(6,704)	(6,919)
Profit for the year	15,877	14,626	979	24,292	27,645
Other comprehensive income for the year					
Change in fair value of available-for-sale equity securities	132	538	(92)	78	66
Deferred tax on change in fair value of available-for-sale equity securities	(48)	(120)	23	(14)	(22)
Exchange difference on translation of financial statements of subsidiaries outside mainland PRC	(48)	(2)	(83)	(103)	(309)
Effect of changes in tax rates	-	-	-	(1,577)	5
Surplus on revaluation of property, plant and equipment	-	-	-	4,809	-
Deferred tax on revaluation surplus	-	-	-	(1,136)	-
Share of other comprehensive income from associates	(25)	-	-	-	-
Other comprehensive income for the year, net of tax	11	416	(152)	2,057	(260)
Total comprehensive income for the year	15,888	15,042	827	26,349	27,385
Profit attributable to					
Equity holders of the Company	15,759	14,422	884	24,195	27,562
Non-controlling interests	118	204	95	97	83
Profit for the year	15,877	14,626	979	24,292	27,645
Total comprehensive income attributable to					
Equity holders of the Company	15,770	14,763	732	26,252	27,302
Non-controlling interests	118	279	95	97	83
Total comprehensive income for the year	15,888	15,042	827	26,349	27,385
Basic earnings per share	0.19	0.18	0.01	0.30	0.34

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(Amounts in millions, except per share data)

	2010 RMB	Year ended 31 December			
		2009 RMB	2008 RMB	2007 RMB	2006 RMB
Financial condition					
Property, plant and equipment, net	275,248	286,328	299,159	329,292	330,436
Construction in progress	14,445	11,567	13,615	13,626	19,563
Other non-current assets	62,417	67,689	72,064	26,303	28,187
Cash and bank deposits	27,792	35,246	28,263	21,649	23,492
Other current assets	27,453	25,690	27,236	22,461	22,179
Total assets	407,355	426,520	440,337	413,331	423,857
Current liabilities	126,923	143,481	176,790	140,245	159,451
Non-current liabilities	48,468	60,426	48,999	47,114	53,609
Total liabilities	175,391	203,907	225,789	187,359	213,060
Total equity attributable to equity holders of the Company	231,468	221,732	213,036	224,521	209,349
Non-controlling interests	496	881	1,512	1,451	1,448
Total equity	231,964	222,613	214,548	225,972	210,797
Total liabilities and equity	407,355	426,520	440,337	413,331	423,857