

FINANCIAL HIGHLIGHTS

FINANCIALS EXCLUDING AMORTISATION OF UPFRONT CONNECTION FEES

	Six-month periods ended 30 June		Rate of change
	2006	2007	
Operating revenues (RMB millions)	84,851	86,958	2.5%
EBITDA (RMB millions)	44,211	44,551	0.8%
EBITDA margin	52.1%	51.2%	(0.9 p.p.)
Net profit ¹ (RMB millions)	11,661	11,816	1.3%
Capital expenditure (RMB millions)	20,774	20,435	(1.6%)
Free cash flow ² (RMB millions)	18,925	19,356	2.3%
Basic earnings per share (RMB)	0.144	0.146	1.3%

FINANCIALS INCLUDING AMORTISATION OF UPFRONT CONNECTION FEES

	Six-month periods ended 30 June	
	2006	2007
Operating revenues (RMB millions)	87,345	88,624
EBITDA (RMB millions)	46,705	46,217
EBITDA margin	53.5%	52.1%
Net profit ¹ (RMB millions)	14,155	13,482

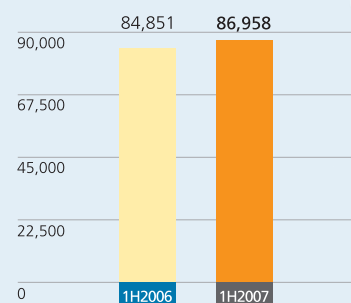
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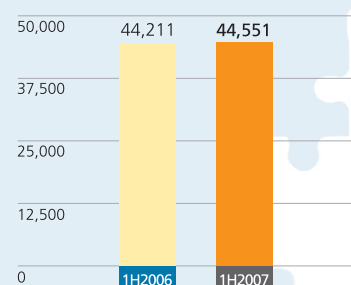
1 Net profit represents profit attributable to equity holders of the Company.

2 Free cash flow is calculated from EBITDA (excluding amortisation of upfront connection fees) minus capital expenditure and income tax.

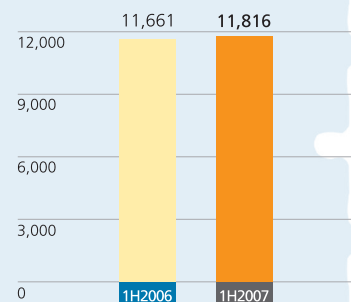
Operating Revenues
(RMB millions)



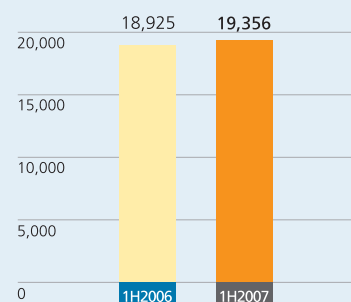
EBITDA
(RMB millions)



Net Profit¹
(RMB millions)



Free Cash Flow²
(RMB millions)



The charts above are based on financials excluding amortisation of upfront connection fees.