

CONSOLIDATED INCOME STATEMENT (UNAUDITED)

for the six-month period ended 30 June 2007
(Amounts in millions, except per share data)

	Note	Six-month periods ended 30 June	
		2007 RMB	2006 RMB (restated)
Operating revenues	11	88,624	87,345
Operating expenses			
Depreciation and amortisation		(25,933)	(25,494)
Network operations and support		(14,597)	(13,829)
Selling, general and administrative		(10,886)	(10,425)
Personnel expenses	12	(13,578)	(13,395)
Other operating expenses	13	(3,346)	(2,991)
Total operating expenses		(68,340)	(66,134)
Operating profit		20,284	21,211
Net finance costs	14	(2,022)	(2,498)
Investment loss		—	(20)
Share of profit from associates		7	7
Profit before taxation		18,269	18,700
Income tax	15	(4,760)	(4,512)
Profit for the period		13,509	14,188
Attributable to:			
Equity holders of the Company		13,482	14,155
Minority interests		27	33
Profit for the period		13,509	14,188
Basic earnings per share	17	0.17	0.17
Weighted average number of shares	17	80,932	80,932

The notes on pages 14 to 30 form part of these interim financial statements.