

# Consolidated Statement of Changes in Equity (Unaudited)

For the six-month period ended 30 June 2009

(Amounts in millions)

	Attributable to equity holders of the Company											Total equity RMB
	Note	Share capital	Capital reserve	Share premium	Re-valuation reserve	Statutory reserves	Other reserves	Exchange reserves	Retained earnings	Total	Minority interests	
		RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB	
Balance as at 1 January 2008		80,932	(2,804)	10,746	11,972	52,367	8,327	(582)	63,563	224,521	1,451	225,972
Deferred tax on revaluation surplus of property, plant and equipment realised		—	—	—	—	—	62	—	(62)	—	—	—
Revaluation surplus realised		—	—	—	(296)	—	—	—	296	—	—	—
Deferred tax on land use rights realised		—	—	—	—	—	(65)	—	65	—	—	—
Distributions to minority interests		—	—	—	—	—	—	—	—	—	(8)	(8)
Dividends	15	—	—	—	—	—	—	—	(6,125)	(6,125)	—	(6,125)
Transfer from retained earnings to other reserves		—	—	—	—	—	425	—	(425)	—	—	—
Distribution to China Telecommunications Corporation		—	—	—	—	—	(535)	—	—	(535)	—	(535)
Adjustment to statutory reserves		—	—	—	—	3,718	—	—	(3,718)	—	—	—
Consideration for the acquisition of the Fourth Acquired Company		—	—	—	—	—	(5,557)	—	—	(5,557)	—	(5,557)
Total comprehensive income for the period		—	—	—	—	—	(62)	(79)	12,634	12,493	43	12,536
Balance as at 30 June 2008		80,932	(2,804)	10,746	11,676	56,085	2,595	(661)	66,228	224,797	1,486	226,283
Balance as at 1 January 2009		80,932	(2,804)	10,746	11,410	56,085	2,586	(665)	54,746	213,036	1,512	214,548
Deferred tax on revaluation surplus of property, plant and equipment realised		—	—	—	—	—	63	—	(63)	—	—	—
Revaluation surplus realised		—	—	—	(230)	—	—	—	230	—	—	—
Deferred tax on land use rights realised		—	—	—	—	—	(64)	—	64	—	—	—
Distributions to minority interests		—	—	—	—	—	—	—	—	—	(26)	(26)
Dividends	15	—	—	—	—	—	—	—	(6,067)	(6,067)	—	(6,067)
Total comprehensive income for the period		—	—	—	—	—	45	(1)	9,004	9,048	51	9,099
Balance as at 30 June 2009		80,932	(2,804)	10,746	11,180	56,085	2,630	(666)	57,914	216,017	1,537	217,554

The notes on pages 15 to 32 form part of these interim financial statements.