

Financial Highlights

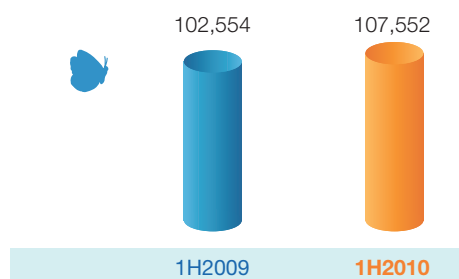
Excluding amortisation of the upfront connection fees

	Six-month periods ended 30 June		Rates of change
	2009	2010	
Operating revenues (RMB millions)	102,554	107,552	4.9%
EBITDA ¹ (RMB millions)	43,339	45,759	5.6%
EBITDA margin	42.3%	42.5%	0.2pp
Net profit ² (RMB millions)	8,412	8,811	4.7%
Basic earnings per share (RMB)	0.10	0.11	4.7%
Capital expenditure (RMB millions)	17,033	17,918	5.2%
Free cash flow ³ (RMB millions)	19,652	18,591	(5.4%)

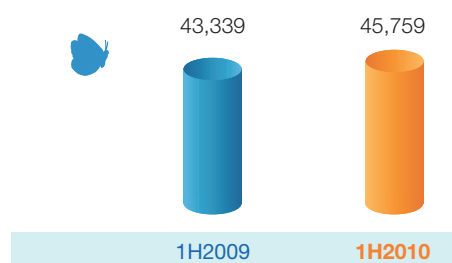
Including amortisation of the upfront connection fees

	Six-month periods ended 30 June	
	2009	2010
Operating revenues (RMB millions)	103,146	107,817
EBITDA ¹ (RMB millions)	43,931	46,024
EBITDA margin	42.6%	42.7%
Net profit ² (RMB millions)	9,004	9,076

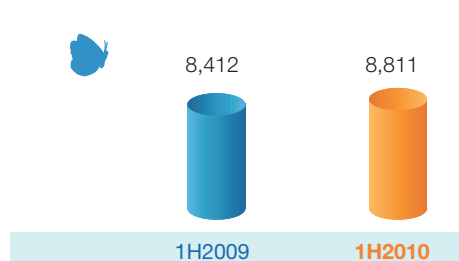
Operating Revenues (RMB millions)



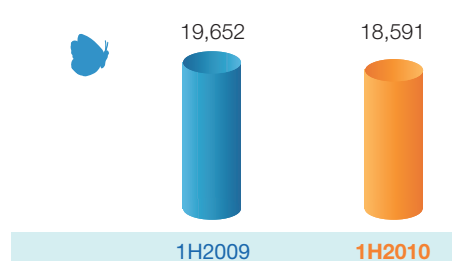
EBITDA¹ (RMB millions)



Net Profit² (RMB millions)



Free Cash Flow³ (RMB millions)



1 For convenience of the investors' analysis, EBITDA is calculated before CDMA network capacity lease fee.

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

3 Free cash flow is calculated from EBITDA (excluding amortisation of upfront connection fees) minus CDMA network capacity lease fee, capital expenditure and income tax.