

Results

	1998 RMB'000	Proforma combined 1997 RMB'000	Proforma combined 1996 RMB'000	Proforma combined 1995 RMB'000	Proforma combined 1994 RMB'000
Turnover					
Usage fees	16,345,713	8,718,056	5,527,875	3,243,101	1,655,259
Monthly fees	4,347,218	2,692,166	1,658,188	939,478	598,574
Connection fees	3,323,191	3,173,529	2,673,425	2,981,214	2,014,612
Others	2,329,271	904,028	507,753	434,332	321,903
	<u>26,345,393</u>	<u>15,487,779</u>	<u>10,367,241</u>	<u>7,598,125</u>	<u>4,590,348</u>
Operating expenses					
Leased lines	3,917,362	3,134,260	2,213,563	1,243,662	657,493
Interconnection	4,752,339	1,214,229	196,361	26,267	9,749
Depreciation	4,598,151	2,680,538	1,424,306	788,956	355,233
Personnel	1,336,010	755,523	416,459	213,942	137,483
Selling, general and administrative and others	4,089,036	2,289,042	1,154,115	583,358	454,795
	<u>18,692,898</u>	<u>10,073,592</u>	<u>5,404,804</u>	<u>2,856,185</u>	<u>1,614,753</u>
Operating profit	7,652,495	5,414,187	4,962,437	4,741,940	2,975,595
Other income	335,934	84,954	48,976	176,114	41,751
Non-operating (expenses)/ income	(51,577)	(27,088)	96,490	125,259	67,510
Interest expense	(159,751)	(175,335)	(167,144)	(88,966)	(63,740)
Profit before exceptional item	7,777,101	5,296,718	4,940,759	4,954,347	3,021,116
Exceptional item	1,609,419	656,607	—	—	—
Profit before tax and minority interests	9,386,520	5,953,325	4,940,759	4,954,347	3,021,116
Income tax	(2,485,950)	(991,019)	(427,543)	(285,701)	(201,506)
Profit before minority interests	6,900,570	4,962,306	4,513,216	4,668,646	2,819,610
Minority interests	(728)	(6,925)	(4,058)	—	—
Profit attributable to shareholders	6,899,842	4,955,381	4,509,158	4,668,646	2,819,610

Assets and liabilities

	1998	1997	Proforma combined 1996	Proforma combined 1995
	RMB'000	RMB'000	RMB'000	RMB'000
Fixed assets	33,986,326	18,634,237	11,536,029	7,345,751
Construction in progress	7,339,152	3,557,665	1,001,499	820,899
Interest in associated companies	30,430	30,430	—	—
Amounts due from related parties	—	72,546	570,097	790,450
Deferred tax assets	151,610	24,140	22,131	108
Net current assets	7,083,140	36,468,123	1,493,752	2,087,450
Total assets less current liabilities	48,590,658	58,787,141	14,623,508	11,044,658
Long-term bank and other loans	(991,170)	(2,870,326)	(1,946,444)	(2,003,970)
Deferred revenue	(1,756,726)	(1,352,863)	(198,607)	—
	45,842,762	54,563,952	12,478,457	9,040,688

Note: The above tables summarise the Group's proforma combined results for each of the four years ended 31 December 1994, 1995, 1996 and 1997, the results of the Group for the year ended 31 December 1998, the audited statements of the Group's assets and liabilities as at 31 December 1997 and 1998, together with the proforma combined statements of the Group's assets and liabilities as at 31 December 1995 and 1996.

The Group's proforma combined results for each of the four years ended 31 December 1994, 1995, 1996 and 1997 have been prepared on a combined basis as if Guangdong Mobile and Zhejiang Mobile were subsidiaries of the Company since 1 January 1994 or since the respective dates of incorporation where these are shorter periods. The Group's results for the year ended 31 December 1998 include the results of the Company, Guangdong Mobile and Zhejiang Mobile for the year ended 31 December 1998 and the post-acquisition results of Jiangsu Mobile for the period from 4 June 1998 to 31 December 1998.

The Group's proforma combined statements of assets and liabilities as at 31 December 1995 and 1996 are combinations of the statements of assets and liabilities of Guangdong Mobile and Zhejiang Mobile as at 31 December 1995 and 1996 respectively.