

Consolidated Profit and Loss Account

for the year ended 31 December 1999

(Expressed in Renminbi)

	Note	1999 RMB million	1998 RMB million
Operating revenue (Turnover)	2		
Usage fees		25,812	16,346
Monthly fees		4,981	4,347
Connection fees		4,319	3,323
Other operating revenue		<u>3,511</u>	<u>2,329</u>
		<u>38,623</u>	<u>26,345</u>
Operating expenses			
Leased lines		3,723	3,917
Interconnection		6,453	4,752
Depreciation		7,411	4,598
Personnel		2,256	1,595
Other operating expenses	3	<u>5,140</u>	<u>3,548</u>
		<u>24,983</u>	<u>18,410</u>
Profit from operations		13,640	7,935
Write-down and write-off of TACS network equipment	4	(8,242)	(282)
Other income	5	552	336
Non-operating income/(expenses)	6	70	(51)
Interest income	7	767	1,609
Finance costs	8	<u>(343)</u>	<u>(160)</u>
Profit from ordinary activities before taxation	8	6,444	9,387
Income tax	11(a)	<u>(1,647)</u>	<u>(2,486)</u>
Profit from ordinary activities after taxation		4,797	6,901
Minority interests		<u>—</u>	<u>(1)</u>
Profit attributable to shareholders	12	4,797	6,900
Appropriations			
Transfer to PRC statutory reserves	30	<u>(3,524)</u>	<u>(2,092)</u>
Retained profits for the year		<u>1,273</u>	<u>4,808</u>
Earnings per share			
Basic	14(a)	<u>RMB40 cents</u>	<u>RMB59 cents</u>
Diluted	14(b)	<u>RMB40 cents</u>	<u>RMB59 cents</u>

The notes on pages 53 to 80 form part of these accounts.