

Consolidated Income Statement

for the Year ended 31 December 2004 (Expressed in Renminbi)

	Note	2004 RMB million	2003 RMB million
Operating revenue (Turnover)	3		
Usage fees		128,534	111,027
Monthly fees		24,760	20,666
Other operating revenue		39,087	26,911
		192,381	158,604
Operating expenses			
Leased lines		3,861	4,914
Interconnection		12,072	12,868
Depreciation		44,320	36,611
Personnel		9,717	7,700
Other operating expenses	4	62,677	43,308
		132,647	105,401
Profit from operations		59,734	53,203
Amortisation of goodwill	16	(1,930)	(1,850)
Other net income	5	3,167	2,464
Non-operating net income	6	900	434
Interest income		1,014	807
Finance costs	7(a)	(1,679)	(2,099)
Profit from ordinary activities before taxation	7	61,206	52,959
Taxation	10(a)	(19,180)	(17,412)
Profit from ordinary activities after taxation		42,026	35,547
Minority interests		(22)	9
Profit attributable to shareholders	11 & 33(a)	42,004	35,556
Dividends attributable to the year:			
Interim dividend declared and paid during the year	12(a)	4,175	3,339
Final dividend proposed after the balance sheet date	12(a)	9,614	4,178
		13,789	7,517
Earnings per share			
Basic	13(a)	RMB2.14	RMB1.81
Diluted	13(b)	RMB2.13	RMB1.81

The notes on pages 85 to 140 form part of these financial statements.