

# FINANCIAL SUMMARY

(Expressed in Renminbi)

## RESULTS

	Note	2006 RMB million	2005 RMB million	2004 RMB million	2003 RMB million	2002 RMB million
<b>Operating revenue</b>						
Usage fees		189,710	156,710	128,534	111,027	93,272
Monthly fees		21,629	25,055	24,760	20,666	16,901
Value-added services fees		69,309	50,187	30,236	16,205	8,174
Other operating revenue		14,710	11,089	8,851	10,706	10,214
		<b>295,358</b>	243,041	192,381	158,604	128,561
<b>Operating expenses</b>						
Leased lines		2,451	3,224	3,861	4,914	5,287
Interconnection		18,783	15,309	12,072	12,868	12,975
Depreciation	2	64,574	56,368	44,186	36,488	26,725
Personnel	2	16,853	14,200	9,972	7,700	6,757
Other operating expenses	2	100,569	80,254	62,811	43,431	28,021
		<b>203,230</b>	169,355	132,902	105,401	79,765
<b>Profit from operations</b>	2	<b>92,128</b>	73,686	59,479	53,203	48,796
Amortization of goodwill		—	—	(1,930)	(1,850)	(936)
Amortization of other intangible assets		(203)	—	—	—	—
Other net income		2,872	3,284	3,167	2,464	1,686
Non-operating net income		1,017	1,025	900	434	571
Interest income		2,604	1,615	1,014	807	713
Finance costs		(1,510)	(1,346)	(1,679)	(2,099)	(1,852)
<b>Profit before taxation</b>		<b>96,908</b>	78,264	60,951	52,959	48,978
Taxation	3	(30,794)	(24,675)	(19,180)	(17,412)	(16,375)
<b>Profit for the year</b>		<b>66,114</b>	53,589	41,771	35,547	32,603
<b>Equity shareholders of the Company</b>						
		<b>66,026</b>	53,549	41,749	35,556	32,601
<b>Minority interests</b>						
		<b>88</b>	40	22	(9)	2
<b>Profit for the year</b>		<b>66,114</b>	53,589	41,771	35,547	32,603

## FINANCIAL SUMMARY (CONT'D)

(Expressed in Renminbi)

### ASSETS AND LIABILITIES

	Note	2006 RMB million	2005 RMB million	2004 RMB million	2003 RMB million	2002 RMB million
Property, plant and equipment	2	218,274	216,505	212,459	167,177	161,355
Construction in progress	2	52,436	34,201	30,510	27,789	22,524
Land lease prepayments	2	7,675	7,243	6,333	5,008	4,543
Goodwill	2	36,894	35,300	35,300	34,373	36,223
Other intangible assets		700	—	—	—	—
Interest in associates		—	—	—	16	16
Other financial assets		77	77	77	77	77
Deferred tax assets	3	7,113	6,625	4,068	3,263	4,991
Deferred expenses		—	—	96	143	190
Net current assets/(liabilities)		30,900	11,122	(17,757)	(8,693)	(4,012)
<b>Total assets less current liabilities</b>		<b>354,069</b>	311,073	271,086	229,153	225,907
Interest-bearing borrowings		(33,574)	(36,545)	(36,633)	(29,383)	(51,524)
Deferred revenue, excluding current portion		(930)	(1,324)	(944)	(688)	(869)
Deferred tax liabilities	3	(192)	(97)	(105)	(97)	(58)
<b>Net assets</b>		<b>319,373</b>	273,107	233,404	198,985	173,456

Notes:

- (1) The above tables summarize the results of the Group for the years ended 31 December 2002, 2003, 2004, 2005 and 2006, together with the Group's assets and liabilities as at 31 December 2002, 2003, 2004, 2005 and 2006.

The Group's results for the years ended 31 December 2002, 2003, 2004, 2005 and 2006 include the results of the Company and its subsidiaries for the period from 1 January or the date of incorporation or acquisition, if later, to 31 December of the year.

- (2) The HKICPA has issued a number of new and revised HKFRSs that are effective or available for early adoption for accounting periods beginning on or after 1 January 2005. Figures for 2002 to 2004 have been adjusted for these new and revised policies in accordance with the transitional provisions. Earlier years have only been restated to the extent that the new accounting policies are adopted retrospectively.
- (3) Figures for the year 2002 have been adjusted as the Group adopted retrospectively the Hong Kong Statement of Standard Accounting Practice No. 12 (revised) "Income taxes".