

# Financial Summary

(Expressed in Renminbi)

## RESULTS

	2011 RMB million	2010 RMB million	2009 RMB million	2008 RMB million	2007 RMB million
<b>Operating revenue</b>					
Voice services (Note 2)	364,189	343,985	327,283	302,330	270,167
Data services (Note 2)	139,330	120,768	106,105	91,091	71,956
Others (Note 2)	24,480	20,478	18,715	18,389	15,354
	<b>527,999</b>	485,231	452,103	411,810	357,477
<b>Operating expenses</b>					
Leased lines	5,188	3,897	3,006	2,641	2,330
Interconnection	23,533	21,886	21,847	22,264	21,500
Depreciation	97,113	86,230	80,179	71,509	67,354
Personnel	28,672	24,524	21,480	19,960	18,277
Selling expenses (Note 2)	96,830	90,590	80,043	66,573	56,868
Other operating expenses (Note 2)	125,364	107,350	98,540	86,468	67,435
	<b>376,700</b>	334,477	305,095	269,415	233,764
<b>Profit from operations</b>	<b>151,299</b>	150,754	147,008	142,395	123,713
<b>Other net income</b>	<b>2,559</b>	2,336	1,780	2,159	2,323
<b>Non-operating net income</b>	<b>571</b>	685	359	517	657
<b>Interest income</b>	<b>8,413</b>	5,658	5,940	6,002	4,015
<b>Finance costs</b>	<b>(565)</b>	(902)	(1,243)	(1,550)	(1,825)
<b>Share of profit of associates</b>	<b>4,306</b>	558	–	–	–
<b>Share of loss of jointly controlled entity</b>	<b>(1)</b>	(18)	(8)	–	–
<b>Profit before taxation</b>	<b>166,582</b>	159,071	153,836	149,523	128,883
<b>Taxation</b>	<b>(40,603)</b>	(39,047)	(38,413)	(36,735)	(42,143)
<b>PROFIT FOR THE YEAR</b>	<b>125,979</b>	120,024	115,423	112,788	86,740
<b>Other comprehensive income for the year</b>					
Exchange differences on translation of financial statements of overseas entities	(311)	(135)	42	(393)	(645)
Share of other comprehensive income of associates	(229)	–	–	–	–
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>125,439</b>	119,889	115,465	112,395	86,095

**Financial Summary***(Expressed in Renminbi)***RESULTS** (Continued)

	<b>2011</b> <i>RMB million</i>	2010 <i>RMB million</i>	2009 <i>RMB million</i>	2008 <i>RMB million</i>	2007 <i>RMB million</i>
<b>Profit attributable to:</b>					
Equity shareholders of the Company	<b>125,870</b>	119,640	115,166	112,627	86,623
Non-controlling interests	<b>109</b>	384	257	161	117
<b>PROFIT FOR THE YEAR</b>	<b>125,979</b>	120,024	115,423	112,788	86,740
<b>Total comprehensive income attributable to:</b>					
Equity shareholders of the Company	<b>125,332</b>	119,505	115,208	112,234	85,978
Non-controlling interests	<b>107</b>	384	257	161	117
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>125,439</b>	119,889	115,465	112,395	86,095

## Financial Summary

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### ASSETS AND LIABILITIES

	As at 31 December 2011 RMB million	As at 31 December 2010 RMB million	As at 31 December 2009 RMB million	As at 31 December 2008 RMB million	As at 31 December 2007 RMB million
Property, plant and equipment	408,165	385,296	360,075	327,783	257,170
Construction in progress	56,235	54,868	46,094	35,482	47,420
Land lease prepayments	12,798	12,040	11,201	10,102	8,383
Goodwill	36,894	36,894	36,894	36,894	36,894
Other intangible assets	818	813	727	298	469
Interest in associates	43,794	40,175	–	–	–
Interest in jointly controlled entity	7	8	6	7	–
Deferred tax assets	10,913	9,720	8,939	7,614	6,121
Pledged bank deposits	122	162	–	–	–
Other financial assets (Note 2)	127	127	127	127	127
Net current assets (Note 2)	109,441	66,202	77,500	56,561	49,866
<b>Total assets less current liabilities</b> (Note 2)	<b>679,314</b>	606,305	541,563	474,868	406,450
Interest-bearing borrowings	(28,617)	(28,615)	(33,551)	(33,553)	(33,582)
Deferred revenue, excluding current portion	(261)	(248)	(317)	(584)	(597)
Deferred tax liabilities	(17)	(39)	(61)	(80)	(122)
<b>Net assets</b>	<b>650,419</b>	577,403	507,634	440,651	372,149

Notes:

(1) The above tables summarize the results of the Group for the years ended 31 December 2007, 2008, 2009, 2010 and 2011, together with the Group's assets and liabilities as at 31 December 2007, 2008, 2009, 2010 and 2011.

The Group's results for the years ended 31 December 2007, 2008, 2009, 2010 and 2011 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 comparative figures have been reclassified to conform to current year's presentation.