

## PERFORMANCE HIGHLIGHTS

CHALLENGING BUSINESS ENVIRONMENT PUT REVENUE  
AND PROFIT UNDER CONSIDERABLE PRESSURE

Operating  
Revenue  
RMB  
**277.05**  
BILLION

Service  
Revenue  
RMB  
**235.28**  
BILLION

EBITDA  
Margin  
**37.2%**

Net Profit  
RMB  
**10.56**  
BILLION

EBITDA  
RMB  
**87.50**  
BILLION

Fixed-line  
Broadband Sub-  
scribers  
**72.3**  
MILLION

Mobile Subscribers  
**286.7**  
MILLION

Fixed-line Local  
Access Subscribers  
**73.9**  
MILLION

## PERFORMANCE HIGHLIGHTS

KEY FINANCIAL DATA	2015	2014
<b>Operating Revenue</b> (RMB billions)	<b>277.05</b>	284.68
<b>Service Revenue<sup>1</sup></b> (RMB billions)	<b>235.28</b>	244.88
Of which: Mobile service	<b>142.62</b>	155.10
Fixed-line service	<b>91.26</b>	88.48
<b>EBITDA<sup>2</sup></b> (RMB billions)	<b>87.50</b>	92.77
EBITDA as % of service revenue	<b>37.2%</b>	37.9%
<b>Net Profit</b> (RMB billions)	<b>10.56</b>	12.06
<b>Basic Earnings per Share</b> (RMB)	<b>0.441</b>	0.505
<b>Dividend per Share</b> (RMB)	<b>0.17</b>	0.20

KEY OPERATING DATA	2015	2014
<b>Mobile Subscribers</b> (millions)	<b>286.7</b>	299.1
Mobile Billing Subscribers <sup>3</sup> (millions)	<b>252.3</b>	266.6
<b>Mobile ARPU</b> (RMB)	<b>40.8</b>	44.1
Mobile Billing Subscribers ARPU <sup>3</sup> (RMB)	<b>46.3</b>	47.8
<b>Fixed-line Broadband Subscribers</b> (millions)	<b>72.3</b>	68.8
<b>Fixed-line Broadband ARPU</b> (RMB)	<b>63.6</b>	62.2
<b>Fixed-line Local Access Subscribers</b> (millions)	<b>73.9</b>	82.1

Note 1: Due to the existence of unallocated items, service revenue is not equal to the sum of service revenue from mobile service and fixed-line service.

Note 2: EBITDA represents profit for the year before finance costs, interest income, share of loss of associates, share of loss of joint venture, other income-net, income tax, depreciation and amortisation. As the telecommunications business is a capital intensive industry, capital expenditure and finance costs may have a significant impact on the net profit of the companies with similar operating results. Therefore, the Company believes that EBITDA may be helpful in analysing the operating results of a telecommunications service operator like the Group.

Note 3: In order to better satisfy the strategic management needs of the Company, the Company's internal management and analysis in relation to the mobile service will focus more on the mobile billing subscribers (which in general refer to subscribers who have revenue contribution in the current month) and 4G subscribers (mobile billing subscribers who possess 4G handsets and use the 4G network of the Company) in 2016. From January 2016 onwards, the aggregate number and net addition of mobile billing subscribers and 4G subscribers will be disclosed. On the other hand, the aggregate number of mobile broadband subscribers will no longer be disclosed. The adjustment in the disclosure of subscriber statistics will not affect the Company's revenue and profit recognition.