

# China Telecom profit rises as mobile data grows

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China Telecom Ltd., one of the country's three main state-owned carriers, said Wednesday its profit rose 11.8 percent in the first half of the year as its Internet and mobile data businesses grew.

The Beijing-based company earned 11.4 billion yuan (\$1.9 billion), or 0.14 yuan (2 U.S. cents) per share, in the six months ended June 30. Revenue rose 5.3 percent to 165.9 billion yuan (\$27.2 billion).

Profits for China Telecom and its rivals, China Mobile Ltd. and China Unicom Ltd., have been squeezed by intense competition and the costs of rolling out fourth-generation service. Regulators rearranged the industry in 2008 to encourage competition and innovation by assigning each carrier [mobile](#) and fixed-line assets.

The companies are promoting mobile, Internet, online commerce and other value-added services as demand for traditional fixed line telephones declines.

China Telecom's number of mobile subscribers declined by 3 percent in the first half to 180 million but mobile data usage rose 30 percent. Revenue for the company's Internet data centers also rose 30 percent.

China Mobile reported earlier its first half profit fell 8.5 percent as the company spent heavily to roll out 4G service.

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