

Consolidated Balance Sheet

As of 31 December 2003

(Expressed in thousands of RMB)	Note	2003	2002 As restated
Non-current assets:			
Property, plant and equipment, net	21	118,104,848	107,486,629
Goodwill	3(a), 22	3,315,468	2,285,771
Other assets	23	5,849,430	7,018,223
Deferred tax assets	14	324,900	826,568
Investment securities	24	—	105,648
Investment in associated companies		—	3,814
Total non-current assets		127,594,646	117,726,653
Current assets:			
Current portion of deferred tax assets	3(a), 14	873,849	988,666
Amounts due from related parties	32(b)	263,414	1,137,847
Amounts due from domestic carriers	34(b)	184,613	211,462
Prepayments and other current assets	20	3,147,777	2,573,764
Inventories	19	2,169,354	3,229,903
Accounts receivable, net	18	5,471,547	4,327,268
Trading securities	17	—	173,939
Short-term bank deposits		912,794	4,825,205
Bank balances and cash	4(b)(i), 28(a)(iii)	9,219,936	14,433,498
Total current assets		22,243,284	31,901,552
Current liabilities:			
Dividend payable		—	8,448
Payables and accrued liabilities	26	17,098,420	19,811,961
Amounts due to Unicom Group	32(c)	432,047	562,633
Amounts due to related parties	32(b)	108,891	409,663
Amounts due to domestic carriers	34(b)	778,841	1,123,580
Current portion of obligations under finance leases	29, 34(b)	25,435	16,793
Current portion of long-term bank loans	28	7,197,877	5,459,505
Taxes payable		623,857	1,106,006
Advances from customers		6,666,086	6,240,225
Short-term loans from Unicom Group	32(d)	—	724,127
Short-term bank loans	27	10,975,199	9,146,500
Total current liabilities		43,906,653	44,609,441
Net current liabilities		(21,663,369)	(12,707,889)
Total assets less current liabilities		105,931,277	105,018,764

Consolidated Balance Sheet (continued)

(Expressed in thousands of RMB)	Note	2003	2002 As restated
Financed by:			
Shareholders' equity:			
Share capital	30	1,331,390	1,331,371
Share premium		52,483,266	52,482,127
Reserves	15(a)	1,719,331	1,300,065
Retained profits:			
Proposed final dividend	15(b)	1,255,317	1,255,300
Others	3(a)	12,826,186	10,283,672
Shareholders' equity		69,615,490	66,652,535
Minority interests		—	566,257
Non-current liabilities:			
Long-term bank loans	28	36,212,791	37,686,162
Obligations under finance leases	29, 34(b)	99,719	101,302
Other long-term liabilities		3,277	12,508
Total non-current liabilities		36,315,787	37,799,972
		105,931,277	105,018,764

Approved by the Board of Directors on 25 March 2004 and signed on behalf of the Board by:

Wang Jianzhou

Director

Tong Jilu

Director