

Consolidated Balance Sheet

As of 31 December 2004
(Expressed in thousands of RMB)

	Note	2004	2003
Non-current assets:			
Property, plant and equipment, net	20	118,904,060	118,104,848
Goodwill	21	3,136,557	3,315,468
Other assets	22	5,736,384	5,849,430
Deferred tax assets	14	—	324,900
Total non-current assets		127,777,001	127,594,646
Current assets:			
Current portion of deferred tax assets	14	606,009	873,849
Amounts due from Unicom Group	30(c)	61,401	—
Amounts due from related parties	30(b)	193,048	263,414
Amounts due from domestic carriers	32(b)	269,919	184,613
Prepayments and other current assets	19	3,059,714	3,147,777
Inventories	18	3,114,632	2,169,354
Accounts receivable, net	17	5,229,980	5,471,547
Short-term bank deposits		662,025	912,794
Bank balances and cash	26(a)(iii)	4,655,464	9,219,936
Total current assets		17,852,192	22,243,284
Current liabilities:			
Payables and accrued liabilities	24	16,785,749	17,098,420
Amounts due to Unicom Group	30(c)	—	432,047
Amounts due to related parties	30(b)	5,760	108,891
Amounts due to domestic carriers	32(b)	948,574	778,841
Current portion of obligations under finance leases	27, 32(b)	938,189	25,435
Current portion of long-term bank loans	26	11,086,305	7,197,877
Taxes payable		395,688	623,857
Advances from customers		7,034,995	6,666,086
Short-term bank loans	25	8,928,417	10,975,199
Total current liabilities		46,123,677	43,906,653
Net current liabilities		(28,271,485)	(21,663,369)
Total assets less current liabilities		99,505,516	105,931,277

	Note	2004	2003
Financed by:			
Shareholders' equity:			
Share capital	28	1,332,487	1,331,390
Share premium		52,546,294	52,483,266
Reserves	15(a)	2,148,631	1,719,331
Retained profits:			
Proposed final dividend	15(b)	1,256,349	1,255,317
Others		15,526,693	12,826,186
Shareholders' equity		72,810,454	69,615,490
Non-current liabilities:			
Long-term bank loans	26	26,137,188	36,212,791
Obligations under finance leases	27, 32(b)	488,956	99,719
Deferred tax liabilities	14	66,340	—
Other long-term liabilities		2,578	3,277
Total non-current liabilities		26,695,062	36,315,787
		99,505,516	105,931,277

Approved by the Board of Directors on 24 March 2005 and signed on behalf of the Board by:

Chang Xiaobing

Director

Tong Jilu

Director