Sestes   Secure   Sestes   Secure   Sestes   Secure   S		Note	2005	2004
Current assets         4         1,7,77         18,280           Bills receivable         5         7,143         7,812           Trade accounts receivable         6         14,532         9,756           Other receivables         7         11,467         12,452           Other receivables         7         11,467         12,452           Advance Dyments         9         8,835         5,3718           Total current assets         11,896         117,056           Long-term cupit vinest ments (including equity investment differences of RMB 2,003 million (2,004: RMB 383 million))         10         14,146         13,409           Fixed assets of cost         572,465         519,462         12,510         12,510         13,409         12,510         13,409         12,525         13,409         12,525         13,409         13,409         12,510         13,409			RMB millions	RMB millions
Season at bank and in hand				
Bills neceivable		Λ	1 / 7 / 7	19 290
Total caccounts receivable		•		
Diter receivables				
Advance payments		7		
Total current assets   9   88,936   63,918   Total current assets   141,896   117,05		8		
Total current assets   141,896   117,056   120,056   118,096   1				
Pixed assets, at cost         572,465         519,462           Fixed assets, at cost         265,611         243,510           Less: Accumulated depreiation         265,611         243,510           Net book value of fixed assets before impairment losses         11         6,234         5,816           Less: Provision for impairment losses on fixed assets         11         6,234         5,816           Net book value of fixed assets         12         555         4340           Construction improgres         13         48,073         45,976           Total fixed assets and other assets         12         5,924         315,652           Intangible assets and other assets         14         5,924         3,565           Intangible assets and other assets         15         3,567         3,563           Intangible assets and other assets         16         5,701         4,166           Intangible assets and other assets         15         3,657         3,563           Intangible assets and other assets         16         5,701         4,166           Intangible assets and other assets         16         5,701         4,166           Intangible assets and other assets         16         5,701         4,166           Intal intangible asse				
Pixed assets, at cost         572,465         519,462           Fixed assets, at cost         265,611         243,510           Less: Accumulated depreiation         265,611         243,510           Net book value of fixed assets before impairment losses         11         6,234         5,816           Less: Provision for impairment losses on fixed assets         11         6,234         5,816           Net book value of fixed assets         12         555         4340           Construction improgres         13         48,073         45,976           Total fixed assets and other assets         12         5,924         315,652           Intangible assets and other assets         14         5,924         3,565           Intangible assets and other assets         15         3,567         3,563           Intangible assets and other assets         16         5,701         4,166           Intangible assets and other assets         15         3,657         3,563           Intangible assets and other assets         16         5,701         4,166           Intangible assets and other assets         16         5,701         4,166           Intangible assets and other assets         16         5,701         4,166           Intal intangible asse	Long-term equity investments (Including equity investment differences of		<del>-</del>	
Fixed assets		10	14,146	13,409
Net book value of fixed assets before impairment losses   11   306,854   275,952   Less.Provision for impairment losses on fixed assets   300,620   270,136   Not book value of fixed assets   12   555   430   Construction materials   12   555   430   Construction materials   13   48,073   45,976   Total fixed assets   13   48,073   45,976   Total fixed assets   14   5,924   5,345   Long term deferred expenses   15   3,557   3,545   Long term deferred expenses   15   3,557   3,553   Long term deferred expenses   15   3,557   3,553   Long term deferred expenses   16   5,701   4,166   Total assets   16   5,701   4,166   Total assets   16   5,701   4,166   Total assets   17   16,124   26,723   Bills payable   18   23,243   30,797   Trade accounts payable   19   52,967   23,792   Receipts in advance   20   14,086   8,605   Wages payable   19   52,967   23,792   Receipts in advance   20   14,086   8,605   Wages payable   21   5,262   6,741   Other payables   27   9,921   - Contraction dependence payable   27   3,500   3,500   Construction of long-term loans   26   103,492   94,687   Deferred tax in the labilities   28   78,283   Construction of the long-term loans   26   103,492   94,687   Deferred tax in the labilities   29   86,702   Share capital   29   86,702   Share capital in abilities   29   86,702   Share capital   29   86,702   Share ca	Fixed assets, at cost		572,465	
Net book value of fixed assets before impairment losses   11   306,854   275,952   Less.Provision for impairment losses on fixed assets   300,620   270,136   Not book value of fixed assets   12   555   430   Construction materials   12   555   430   Construction materials   13   48,073   45,976   Total fixed assets   13   48,073   45,976   Total fixed assets   14   5,924   5,345   Long term deferred expenses   15   3,557   3,545   Long term deferred expenses   15   3,557   3,553   Long term deferred expenses   15   3,557   3,553   Long term deferred expenses   16   5,701   4,166   Total assets   16   5,701   4,166   Total assets   16   5,701   4,166   Total assets   17   16,124   26,723   Bills payable   18   23,243   30,797   Trade accounts payable   19   52,967   23,792   Receipts in advance   20   14,086   8,605   Wages payable   19   52,967   23,792   Receipts in advance   20   14,086   8,605   Wages payable   21   5,262   6,741   Other payables   27   9,921   - Contraction dependence payable   27   3,500   3,500   Construction of long-term loans   26   103,492   94,687   Deferred tax in the labilities   28   78,283   Construction of the long-term loans   26   103,492   94,687   Deferred tax in the labilities   29   86,702   Share capital   29   86,702   Share capital in abilities   29   86,702   Share capital   29   86,702   Share ca	Less: Accumulated depreciation		265,611	243,510
Not book value of fixed assets   300,620   270,136   2	Net book value of fixed assets before impairment losses	11	306,854	
Construction materials	Less: Provision for impairment losses on fixed assets	11	6,234	5,816
Construction in progress   34,948   316,542   1014   101	Net book value of fixed assets		300,620	270,136
Total fixed assets and other assets   14   5,924   5,345     Intangible assets   14   5,924   5,345     Intangible assets   15   3,657   3,553     Intangible assets   15   3,657   3,553     Intangible assets and other assets   15   3,657   3,553     Intangible assets and other assets   15   5,701   4,166     Intangible assets   520,572   460,081     Intalia sand shareholders' funds   520,572   520,572     Intalia sand shareholders' funds   520,572     Intalia		12	555	
Intangible assets and other assets	Construction in progress	13	- ,	
Intangible assets   14   5,924   5,345     Long-term deferred expenses   15   3,657   3,563     Total intangible assets and other assets   9,581   8,908     Deferred tax assets   16   5,701   4,165     Total assets   520,572   460,081     Liabilities and shareholders' funds     Current Itabilities   Short-term loans   17   16,124   26,723     Billis payable   18   23,243   30,797     Trade accounts payable   19   52,967   23,792     Receipts in advance   20   14,086   8,605     Wages payable   3,436   3,223     Staff welfare payable   19   5,266   6,741     Other payables   21   5,262   6,741     Other payables   22   1,830   1,519     Other creditors   23   24,161   26,459     Accrued expenses   24   512   652     Short-term debentures payable   27   9,921   —   Current portion of long-term loans   25   15,198   14,298     Total current liabilities   26   103,492   94,087     Debentures payable   27   3,500   3,500     Clong-term liabilities   26   103,492   94,087     Debentures payable   27   3,500   3,500     Clong-term liabilities   28   782   820     Clong-term liabilities   29   86,702   86,702     Captal reserve   30   37,121   37,121     Cloud RMB 9,558 million)   31   34,028   26,116     Cloud RMB 9,558 million   (2004: RMB 6,936 million)   40   58,366   37,124     Total lang-tendolders' funds   40,028 million   (2004: RMB 6,936 million)   40   58,366   37,124     Total shareholders' funds   40,028 million   (2004: RMB 6,936 million)   40   58,366   37,124     Total shareholders' funds   40,028 million   (2004: RMB 6,936 million)   40   58,366   37,124     Total shareholders' funds   40,028 million   (2004: RMB 6,936 million)   40   58,366   37,124     Total shareholders' funds   40,028 million   40,028 m			349,248	316,542
Designation				
Deferred tax assets         16         5,701         4,166           Total assets         520,572         460,081           Liabilities and shareholders' funds         Current liabilities           Short-term loans         17         16,124         26,723           Bills payable         18         23,243         30,797           Trade accounts payable         19         52,967         23,792           Receipts in advance         20         14,086         8,605           Wages payable         21         5,262         6,741           Other payables         21         5,262         6,741           Other creditors         23         24,161         26,459           Accrued expenses         24         512         65,25           Active depenses         24         512         65,25           Short-term debentures payable         27         9,921         —           Current portion of long-term loans         25         15,198         14,298           Total current liabilities         26         103,492         94,087           Debentures payable         27         3,500         3,500           Other long-term liabilities         26         103,492         <		15	- /	
Total assets	Total intangible assets and other assets		- /	8,908
Iziabilities and shareholders' funds	Deferred tax assets	16	5,701	4,166
Current liabilities	Total assets		520,572	460,081
Short-term loans			,	
Bills payable	Current liabilities			
Price accounts payable   19   52.967   23.792	Short-term loans	17	16,124	26,723
Receipts in advance         20         14,086         8,605           Wages payable         3,436         3,223           Staff welfare payable         1,052         1,101           Takes payable         21         5,262         6,741           Other payables         22         1,830         1,519           Other creditors         23         24,161         26,459           Accrued expenses         24         512         652           Short-term debentures payable         27         9,921         —           Current portion of long-term loans         25         15,198         14,298           Total current liabilities         26         103,492         94,087           Depentures payable         27         3,500         3,500           Other long-term liabilities         28         782         820           Total long-term liabilities         28         782         820           Total long-term liabilities         28         782         820           Total labilities         28         782         820           Total liabilities         29         86,702         24,515           Minority interests         29,383         31,216	Bills payable	18	23,243	30,797
Wages payable         3,436         3,223           Staff welfare payable         1,052         1,101           Taxes payable         21         5,262         6,741           Other payables         22         1,830         1,519           Other creditors         23         24,161         26,459           Accrued expenses         24         512         652           Short-term debentures payable         27         9,921            Current portion of long-term loans         25         15,198         14,298           Total current liabilities         26         103,492         94,087           Debentures payable         27         3,500         3,500           Other long-term liabilities         28         782         820           Total long-term liabilities         28         782         820           Total long-term liabilities         275,566         242,515           Minority interests         29,383         31,216           Share capital         29         86,702         36,702           Share capital         29         86,702         37,121           Surplus reserves (Including statutory public welfare fund of RMB 13,514 million         30         37,121	Trade accounts payable	19	52,967	23,792
Staff welfare payable         1,052         1,101           Taxes payable         21         5,262         6,741           Other payables         22         1,830         1,519           Other creditors         23         24,161         26,459           Accrued expenses         24         512         652           Short-term debentures payable         27         9,921         —           Current portion of long-term loans         25         15,198         14,298           Total current liabilities         167,792         13,390         143,910           Long-term loans         26         103,492         94,087           Debentures payable         27         3,500         3,500           Other long-term liabilities         28         782         820           Total long-term liabilities         107,774         98,407         98,407           Deferred tax liabilities         107,774         98,407         98,407         24,515           Minority interests         29,383         31,216         54,515         54,515         54,515         54,515         54,515         54,515         54,515         54,515         54,515         54,515         54,515         54,515         54,515	Receipts in advance	20		
Taxes payable         21         5,262         6,741           Other payables         22         1,830         1,519           Other creditors         23         24,161         26,459           Accrued expenses         24         512         652           Short-term debentures payable         27         9,921         —           Current portion of long-term loans         25         15,198         14,298           Total current liabilities         167,792         143,910           Long-term liabilities         26         103,492         94,087           Debentures payable         27         3,500         3,500           Other long-term liabilities         28         782         820           Total long-term liabilities         28         782         820           Total liabilities         107,774         98,407           Deferred tax liabilities         275,566         242,515           Minority interests         29,383         31,216           Share capital         29         86,702         86,702           Capital reserve         30         37,121         37,121           Surplus reserves (Including statutory public welfare fund of RMB 13,514 million         (2004: RMB 9,558 million				3,223
Other payables         22         1,830         1,519           Other creditors         23         24,161         26,459           Accrued expenses         24         512         652           Short-term debentures payable         27         9,921         —           Current portion of long-term loans         25         15,198         14,298           Total current liabilities         167,792         143,910           Long-term liabilities         26         103,492         94,087           Debentures payable         27         3,500         3,500           Other long-term liabilities         28         782         820           Total long-term liabilities         107,774         98,407           Deferred tax liabilities         16         —         198           Total long-term liabilities         275,566         242,515           Minority interests         29,383         31,216           Shareholders' funds         29         86,702         86,702           Capital reserve         30         37,121         37,121           Surplus reserves (Including statutory public welfare fund of RMB 13,514 million         31         34,028         26,116           Unrecognised investment losses				
Other creditors         23         24,161         26,459           Accrued expenses         24         512         652           Short-term debentures payable         27         9,921         —           Current portion of long-term loans         25         15,198         14,298           Total current liabilities         167,792         143,910           Long-term liabilities         26         103,492         94,087           Debentures payable         27         3,500         3,500           Other long-term liabilities         28         782         820           Total long-term liabilities         107,774         98,407           Deferred tax liabilities         16         —         198           Total labilities         275,566         242,515           Minority interests         29         86,702         86,702           Share capital         29         86,702         86,702           Capital reserve         30         37,121         37,121           Surplus reserves (Including statutory public welfare fund of RMB 13,514 million         31         34,028         26,116           Unrecognised investment losses         (594)         (713)           Retained profits (Including dividend pro				
Accrued expenses         24         512         652           Short-term debentures payable         27         9,921         —           Current portion of long-term loans         25         15,198         14,298           Total current liabilities         167,792         143,910           Long-term loans         26         103,492         94,087           Debentures payable         27         3,500         3,500           Other long-term liabilities         28         782         820           Total long-term liabilities         107,774         98,407           Deferred tax liabilities         16         —         198           Total liabilities         275,566         242,515           Minority interests         29,383         31,216           Shareholders' funds         29         86,702         86,702           Capital reserve         30         37,121         37,121           Surplus reserves (Including statutory public welfare fund of RMB 13,514 million         (2004: RMB 9,558 million))         31         34,028         26,116           Unrecognised investment losses         (594)         (713)           Retained profits (Including dividend proposed after the balance sheet date in respect of year 2005 of RMB 7,803 million (2004: RMB 6,93				
Short-term debentures payable         27         9,921         —           Current portion of long-term loans         25         15,198         14,298           Total current liabilities         167,792         143,910           Long-term liabilities         26         103,492         94,087           Debentures payable         27         3,500         3,500           Other long-term liabilities         28         782         820           Other long-term liabilities         107,774         98,407           Deferred tax liabilities         16         —         198           Total liabilities         275,566         242,515           Minority interests         29,383         31,216           Shareholders' funds         29         86,702         86,702           Share capital         29         86,702         86,702           Capital reserve         30         37,121         37,121           Surplus reserves (Including statutory public welfare fund of RMB 13,514 million         (2004; RMB 9,558 million))         31         34,028         26,116           Unrecognised investment losses         (594)         (713)         Retained profits (Including dividend proposed after the balance sheet date in respect of year 2005 of RMB 7,803 million (2004; RMB 6,936 million)				
Current portion of long-term loans         25         15,198         14,298           Total current liabilities         167,792         143,910           Long-term liabilities         26         103,492         94,087           Debentures payable         27         3,500         3,500           Other long-term liabilities         28         782         820           Total long-term liabilities         107,774         98,407           Deferred tax liabilities         16         —         198           Total liabilities         275,566         242,515           Minority interests         29,383         31,216           Share capital         29         86,702         86,702           Capital reserve         30         37,121         37,121           Surplus reserves (Including statutory public welfare fund of RMB 13,514 million         31         34,028         26,116           Unrecognised investment losses         (594)         (713)           Retained profits (Including dividend proposed after the balance sheet date in respect of year 2005 of RMB 7,803 million (2004: RMB 6,936 million))         40         58,366         37,124           Total shareholders' funds         215,623         186,350				652
Total current liabilities         143,910           Long-term liabilities         26         103,492         94,087           Debentures payable         27         3,500         3,500           Other long-term liabilities         28         782         820           Total long-term liabilities         107,774         98,407           Deferred tax liabilities         16         —         198           Total liabilities         275,566         242,515           Minority interests         29,383         31,216           Share capital         29         86,702         86,702           Capital reserve         30         37,121         37,121           Surplus reserves (Including statutory public welfare fund of RMB 13,514 million (2004: RMB 9,558 million))         31         34,028         26,116           Unrecognised investment losses         (594)         (713)           Retained profits (Including dividend proposed after the balance sheet date in respect of year 2005 of RMB 7,803 million (2004: RMB 6,936 million))         40         58,366         37,124           Total shareholders' funds         215,623         186,350				
Long-term loans         26         103,492         94,087           Debentures payable         27         3,500         3,500           Other long-term liabilities         28         782         820           Total long-term liabilities         107,774         98,407           Deferred tax liabilities         16         —         198           Total liabilities         275,566         242,515           Minority interests         29,383         31,216           Shareholders' funds         29         86,702         86,702           Capital reserve         30         37,121         37,121           Surplus reserves (Including statutory public welfare fund of RMB 13,514 million (2004: RMB 9,558 million))         31         34,028         26,116           Unrecognised investment losses         (594)         (713)           Retained profits (Including dividend proposed after the balance sheet date in respect of year 2005 of RMB 7,803 million (2004: RMB 6,936 million))         40         58,366         37,124           Total shareholders' funds         215,623         186,350		25	15,198	
Dogsterm loans   26   103,492   94,087			167,792	143,910
Debentures payable         27         3,500         3,500           Other long-term liabilities         28         782         820           Total long-term liabilities         107,774         98,407           Deferred tax liabilities         16         —         198           Total liabilities         275,566         242,515           Minority interests         29,383         31,216           Share holders' funds         29         86,702         86,702           Capital reserve         30         37,121         37,121           Surplus reserves (Including statutory public welfare fund of RMB 13,514 million (2004: RMB 9,558 million))         31         34,028         26,116           Unrecognised investment losses         (594)         (713)           Retained profits (Including dividend proposed after the balance sheet date in respect of year 2005 of RMB 7,803 million (2004: RMB 6,936 million))         40         58,366         37,124           Total shareholders' funds         215,623         186,350				
Other long-term liabilities         28         782         820           Total long-term liabilities         107,774         98,407           Deferred tax liabilities         16         —         198           Total liabilities         275,566         242,515           Minority interests         29,383         31,216           Share capital         29         86,702         86,702           Capital reserve         30         37,121         37,121           Surplus reserves (Including statutory public welfare fund of RMB 13,514 million (2004: RMB 9,558 million))         31         34,028         26,116           Unrecognised investment losses         (594)         (713)           Retained profits (Including dividend proposed after the balance sheet date in respect of year 2005 of RMB 7,803 million (2004: RMB 6,936 million))         40         58,366         37,124           Total shareholders' funds         215,623         186,350			*	,
Total long-term liabilities         107,774         98,407           Deferred tax liabilities         16         —         198           Total liabilities         275,566         242,515           Minority interests         29,383         31,216           Share capital         29         86,702         86,702           Capital reserve         30         37,121         37,121           Surplus reserves (Including statutory public welfare fund of RMB 13,514 million (2004: RMB 9,558 million))         31         34,028         26,116           Unrecognised investment losses         (594)         (713)           Retained profits (Including dividend proposed after the balance sheet date in respect of year 2005 of RMB 7,803 million (2004: RMB 6,936 million))         40         58,366         37,124           Total shareholders' funds         215,623         186,350			- /	- ,
Deferred tax liabilities         16         —         198           Total liabilities         275,566         242,515           Minority interests         29,383         31,216           Share capital         29         86,702         86,702           Capital reserve         30         37,121         37,121           Surplus reserves (Including statutory public welfare fund of RMB 13,514 million (2004: RMB 9,558 million))         31         34,028         26,116           Unrecognised investment losses         (594)         (713)           Retained profits (Including dividend proposed after the balance sheet date in respect of year 2005 of RMB 7,803 million (2004: RMB 6,936 million))         40         58,366         37,124           Total shareholders' funds         215,623         186,350		28		
Total liabilities         275,566         242,515           Minority interests         29,383         31,216           Share holders' funds         29         86,702         86,702           Capital reserve         30         37,121         37,121           Surplus reserves (Including statutory public welfare fund of RMB 13,514 million (2004: RMB 9,558 million))         31         34,028         26,116           Unrecognised investment losses         (594)         (713)           Retained profits (Including dividend proposed after the balance sheet date in respect of year 2005 of RMB 7,803 million (2004: RMB 6,936 million))         40         58,366         37,124           Total shareholders' funds         215,623         186,350			107,774	/
Minority interests         29,383         31,216           Shareholders' funds         29         86,702         86,702           Capital reserve         30         37,121         37,121           Surplus reserves (Including statutory public welfare fund of RMB 13,514 million (2004: RMB 9,558 million))         31         34,028         26,116           Unrecognised investment losses         (594)         (713)           Retained profits (Including dividend proposed after the balance sheet date in respect of year 2005 of RMB 7,803 million (2004: RMB 6,936 million))         40         58,366         37,124           Total shareholders' funds         215,623         186,350		16		198
Share holders' funds           Share capital         29         86,702         86,702           Capital reserve         30         37,121         37,121           Surplus reserves (Including statutory public welfare fund of RMB 13,514 million (2004: RMB 9,558 million))         31         34,028         26,116           Unrecognised investment losses         (594)         (713)           Retained profits (Including dividend proposed after the balance sheet date in respect of year 2005 of RMB 7,803 million (2004: RMB 6,936 million))         40         58,366         37,124           Total shareholders' funds         215,623         186,350	Total liabilities		275,566	242,515
Share holders' funds           Share capital         29         86,702         86,702           Capital reserve         30         37,121         37,121           Surplus reserves (Including statutory public welfare fund of RMB 13,514 million (2004: RMB 9,558 million))         31         34,028         26,116           Unrecognised investment losses         (594)         (713)           Retained profits (Including dividend proposed after the balance sheet date in respect of year 2005 of RMB 7,803 million (2004: RMB 6,936 million))         40         58,366         37,124           Total shareholders' funds         215,623         186,350	Minority interests		29,383	31,216
Capital reserve3037,12137,121Surplus reserves (Including statutory public welfare fund of RMB 13,514 million (2004: RMB 9,558 million))3134,02826,116Unrecognised investment losses(594)(713)Retained profits (Including dividend proposed after the balance sheet date in respect of year 2005 of RMB 7,803 million (2004: RMB 6,936 million))4058,36637,124Total shareholders' funds215,623186,350				
Capital reserve3037,12137,121Surplus reserves (Including statutory public welfare fund of RMB 13,514 million (2004: RMB 9,558 million))3134,02826,116Unrecognised investment losses(594)(713)Retained profits (Including dividend proposed after the balance sheet date in respect of year 2005 of RMB 7,803 million (2004: RMB 6,936 million))4058,36637,124Total shareholders' funds215,623186,350	Share capital	29	86,702	86,702
Surplus reserves (Including statutory public welfare fund of RMB 13,514 million (2004: RMB 9,558 million))  Unrecognised investment losses Retained profits (Including dividend proposed after the balance sheet date in respect of year 2005 of RMB 7,803 million (2004: RMB 6,936 million))  Total shareholders' funds  31 34,028 (594) (713)  40 58,366 37,124  Total shareholders' funds	Capital reserve	30	37,121	37,121
Unrecognised investment losses (594) (713) Retained profits (Including dividend proposed after the balance sheet date in respect of year 2005 of RMB 7,803 million (2004: RMB 6,936 million)) 40 58,366 37,124  Total shareholders' funds 215,623 186,350				
Retained profits (Including dividend proposed after the balance sheet date in respect of year 2005 of RMB 7,803 million (2004: RMB 6,936 million))  Total shareholders' funds  Retained profits (Including dividend proposed after the balance sheet date in respect of 40 58,366 37,124  Total shareholders' funds  215,623 186,350		31		
year 2005 of RMB 7,803 million (2004: RMB 6,936 million))         40         58,366         37,124           Total shareholders' funds         215,623         186,350			(594)	(713)
Total shareholders' funds         215,623         186,350				
<u></u>		40		
Total liabilities and shareholders' funds 520,572 460,081	Total shareholders' funds		215,623	186,350
	Total liabilities and shareholders' funds		520,572	460,081

These financial statements have been approved by the Board of Directors on 31 March 2006.

Chen Tonghai Chairman (Authorised representative) Wang Tianpu President

Zhang Jiaren Director and Chief Financial Officer

Liu Yun Head of Accounting Division

The notes on pages 92 to 122 form part of these financial statements.