

BALANCE SHEET

At 31 December 2005
(Amounts in millions)

	Note	2005 RMB	2004 RMB (Restated)
Non-current assets			
Property, plant and equipment	18	170,711	158,011
Construction in progress	19	39,086	28,948
Investments in subsidiaries	20	75,579	66,930
Investments	21	1,037	158
Interest in associates	22	5,933	6,424
Interest in jointly controlled entities	23	7,280	3,763
Deferred tax assets	28	3,220	3,724
Long-term prepayments and other assets	24	4,316	3,660
Total non-current assets		307,162	271,618
Current assets			
Cash and cash equivalents		5,014	6,051
Time deposits with financial institutions		110	248
Trade accounts receivable	25	8,826	8,245
Bills receivable	25	1,334	1,597
Inventories	26	50,417	34,044
Prepaid expenses and other current assets	27	15,556	26,471
Total current assets		81,257	76,656
Current liabilities			
Short-term debts	29	25,059	20,033
Loans from Sinopec Group Company and fellow subsidiaries	29	3,946	7,727
Trade accounts payable	30	28,833	21,137
Bills payable	30	19,077	21,589
Accrued expenses and other payables	31	40,559	45,565
Income tax payable		2,494	3,142
Total current liabilities		119,968	119,193
Net current liabilities		(38,711)	(42,537)
Total assets less current liabilities		268,451	229,081
Non-current liabilities			
Long-term debts	29	53,401	49,515
Loans from Sinopec Group Company and fellow subsidiaries	29	39,212	36,317
Deferred tax liabilities	28	2,216	2,025
Other liabilities		315	626
Total non-current liabilities		95,144	88,483
		173,307	140,598
Equity			
Share capital	32	86,702	86,702
Reserves	33	86,605	53,896
Total equity		173,307	140,598

Approved and authorised for issue by the board of directors on 31 March 2006.

Chen Tonghai
Chairman

Wang Tianpu
President

Zhang Jiaren
Director and Chief Financial Officer

The notes on pages 130 to 163 form part of these financial statements.