

Balance Sheet

31 December 2005

	Notes	2005 RMB'000	2004 RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment	15	45,025,463	41,908,428
Lease prepayments	16	1,052,493	919,871
Interests in subsidiaries	17	140,075	176,929
Interests in joint ventures	18	1,398,595	1,392,388
Interests in associates	19	723,365	780,837
Advance payments for aircraft and related equipment		6,997,560	2,400,586
Due from CNAHC	20	531,813	631,813
Deposits for aircraft under operating leases		146,575	55,831
Available-for-sale investments	21	816	816
Deferred tax assets	22	391,000	658,000
		56,407,755	48,925,499
CURRENT ASSETS			
Financial assets	44(c)	115,220	–
Trade receivables	23	2,517,384	2,197,293
Inventories	24	541,453	468,930
Prepayments, deposits and other receivables	25	651,778	889,037
Pledged deposits	26	84,048	80,519
Non-pledged deposits with maturity of more than three months when acquired	26	20,875	313,768
Cash and cash equivalents	26	891,923	8,108,091
Due from CNAHC	34	474,216	–
Due from other CNAHC group companies	27	12,993	8,801
		5,309,890	12,066,439
TOTAL ASSETS		61,717,645	60,991,938
CURRENT LIABILITIES			
Financial liabilities	44(c)	(1,791)	–
Trade payables	28	(3,666,128)	(3,819,353)
Bills payable	29	(327,937)	(362,033)
Other payables and accruals	30	(3,568,896)	(3,387,870)
Provision for major overhauls	31	(18,721)	(28,130)
Air traffic liabilities		(1,337,948)	(1,087,838)
Tax payable		(392,984)	(151,533)
Obligations under finance leases	32	(1,954,873)	(1,705,146)
Bank and other loans	33	(10,127,847)	(8,255,695)
Due to CNAHC and CNACG	34	(118,680)	(2,240,213)
Due to other CNAHC group companies	27	(22,413)	(12,163)
		(21,538,218)	(21,049,974)
NET CURRENT LIABILITIES		(16,228,328)	(8,983,535)
TOTAL ASSETS LESS CURRENT LIABILITIES		40,179,427	39,941,964

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	<i>Notes</i>	2005 <i>RMB'000</i>	2004 <i>RMB'000</i>
NON-CURRENT LIABILITIES			
Obligations under finance leases	32	(8,078,671)	(10,576,241)
Bank and other loans	33	(12,448,067)	(12,896,622)
Long term payables	35	(317,379)	(437,577)
Deferred income	36	(1,025,910)	(1,102,853)
Provision for major overhauls	31	(474,571)	(373,242)
Provision for early retirement benefits obligations		(189,141)	(195,188)
		(22,533,739)	(25,581,723)
NET ASSETS			
		17,645,688	14,360,241
Represented by:			
Issued share capital	37	9,433,211	9,050,618
Reserves	38	8,212,477	5,309,623
TOTAL EQUITY			
		17,645,688	14,360,241

Ma Xulun
Director

Fan Cheng
Director