

Condensed Consolidated Statement of Changes in Equity

For The Six Month Period Ended 30 June 2006

(Amount in millions of Renminbi, unless otherwise stated)

	Unaudited									
	Attributable to equity holders of the Bank									
	Notes	Share capital	Capital reserve	Statutory reserves	General and regulatory reserves	Undistributed profits	Reserve for fair value changes of available-for-sale securities	Currency translation differences	Minority interest	Total
Balance at 1 January 2006		209,427	(5,954)	5,987	5,109	10,188	1,899	(237)	29,100	255,519
Net profit		-	-	-	-	19,477	-	-	2,774	22,251
Issue of ordinary shares (net of issuance costs)	II.27	44,412	72,567	-	-	-	-	-	-	116,979
Appropriation to statutory reserves	II.28	-	-	2,108	-	(2,108)	-	-	-	-
Appropriation to general reserve and regulatory reserve	II.28	-	-	-	4,291	(4,291)	-	-	-	-
Net change in fair value of available-for-sale investments, net of tax		-	-	-	-	-	(5,502)	-	(284)	(5,786)
Dividends	II.28	-	-	-	-	(1,375)	-	-	(1,891)	(3,266)
Translation differences		-	-	-	-	-	-	(251)	(312)	(563)
Sale of shares in subsidiaries		-	-	-	(2)	2	-	-	(52)	(52)
Balance at 30 June 2006		253,839	66,613	8,095	9,398	21,893	(3,603)	(488)	29,335	385,082

The accompanying notes form an integral part of these financial statements.

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For The Six Month Period Ended 30 June 2005

(Amount in millions of Renminbi, unless otherwise stated)

	Unaudited									
	Attributable to equity holders of the Bank									
	Notes	Share capital	Capital reserve	Statutory reserves	General and regulatory reserves	Undistributed profits	Reserve for fair value changes of available-for-sale securities	Currency translation differences	Minority interest	Total
Balance at 1 January 2005		186,390	(10,432)	3,140	419	16,547	2,730	1,961	27,152	227,907
Net profit		-	-	-	-	15,181	-	-	2,593	17,774
Appropriation to statutory reserve	II.28	-	-	75	-	(75)	-	-	-	-
Appropriation to general and regulatory reserves	II.28	-	-	-	2,480	(2,480)	-	-	-	-
Exercise of subsidiary share options		-	-	-	-	-	-	-	5	5
Net change in fair value of available-for-sale investments, net of tax		-	-	-	-	-	2,999	-	2	3,001
Translation differences		-	-	-	-	-	-	(354)	19	(335)
Dividends		-	-	-	-	-	-	-	(1,637)	(1,637)
Balance at 30 June 2005		186,390	(10,432)	3,215	2,899	29,173	5,729	1,607	28,134	246,715
Issue of ordinary shares (net of issuance costs)	II.27	23,037	3,964	-	-	-	-	-	-	27,001
Net profit		-	-	-	-	10,740	-	-	3,044	13,784
Appropriation to statutory reserve	II.28	-	-	2,772	-	(2,772)	-	-	-	-
Appropriation to general and regulatory reserves	II.28	-	-	-	2,210	(2,210)	-	-	-	-
Exercise of subsidiary share options		-	-	-	-	-	-	-	12	12
Net change in fair value of available-for-sale investments, net of tax		-	-	-	-	-	(1,576)	-	(112)	(1,688)
Capital contribution from an equity holder		-	500	-	-	-	-	-	-	500
Adoption of equity accounting for investment in associates		-	-	-	-	2,194	(2,254)	-	-	(60)
Translation differences		-	-	-	-	-	-	(1,844)	(661)	(2,505)
Dividends	II.28	-	-	-	-	(26,937)	-	-	(1,317)	(28,254)
Others		-	14	-	-	-	-	-	-	14
Balance at 31 December 2005		209,427	(5,954)	5,987	5,109	10,188	1,899	(237)	29,100	255,519

The accompanying notes form an integral part of these financial statements.