

Balance Sheets

At 31st December 2006

	Note	Group		Company	
		2006 HK\$ million	2005 HK\$ million	2006 HK\$ million	2005 HK\$ million
Non-current assets					
Fixed assets					
– Property, plant and equipment		41,763	38,294	–	–
– Assets under construction		2,355	5,524	–	–
– Interests in leasehold land held for own use under operating leases		2,378	2,440	–	–
	15	46,496	46,258	–	–
Interest in subsidiaries	16	–	–	26,992	32,002
Interest in associates	17	6,339	5,780	–	–
Other non-current financial assets	18	1,687	1,682	–	–
Derivative financial instruments	26	47	29	–	–
Deferred tax assets	27	1	14	1	13
Employee retirement benefit assets	28	578	170	34	10
		55,148	53,933	27,027	32,025
Current assets					
Inventories	19	484	445	–	–
Trade and other receivables	20	1,119	1,090	51	12
Fuel Clause Account	21	566	1,079	–	–
Cash and cash equivalents	22	10,462	4,561	10,417	4,520
		12,631	7,175	10,468	4,532
Current liabilities					
Trade and other payables	23	(1,095)	(1,068)	(37)	(39)
Bank overdrafts – unsecured		(4)	(8)	–	–
Current portion of bank loans and other borrowings	24	(1,089)	(354)	–	–
Current taxation		(551)	(220)	(9)	–
		(2,739)	(1,650)	(46)	(39)
Net current assets					
		9,892	5,525	10,422	4,493
Total assets less current liabilities					
		65,040	59,458	37,449	36,518
Non-current liabilities					
Interest-bearing borrowings	24	(13,596)	(10,209)	–	–
Deferred creditors and other payables	25	–	(52)	–	–
Derivative financial instruments	26	(1)	(287)	–	–
Customers' deposits		(1,537)	(1,508)	–	–
Deferred tax liabilities	27	(5,432)	(5,382)	–	–
Employee retirement benefit liabilities	28	(389)	(335)	(81)	(66)
		(20,955)	(17,773)	(81)	(66)
Rate Reduction Reserve					
	12	–	–	–	–
Development Fund					
	12	–	–	–	–
Net Assets					
		44,085	41,685	37,368	36,452
Capital and Reserves					
Share capital	29	2,134	2,134	2,134	2,134
Reserves		41,951	39,551	35,234	34,318
Total equity attributable to equity shareholders of the Company					
	30	44,085	41,685	37,368	36,452

Approved and authorised for issue by the Board of Directors on 8th March 2007

Canning Fok Kin-ning
Chairman

Tso Kai-sum
Group Managing Director

The notes on pages 53 to 105 form part of these financial statements.