

# Consolidated Balance Sheet

31 December 2006

(Prepared under International Financial Reporting Standards)

	Notes	2006 RMB'000	2005 RMB'000
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	16	54,767,664	47,190,728
Lease prepayments	17	1,013,529	1,072,066
Interests in associates	20	9,255,474	3,793,957
Advance payments for aircraft and related equipment		6,976,054	7,329,322
Deposits for aircraft under operating leases		259,681	222,945
Long term receivable from ultimate holding company	21	431,813	531,813
Available-for-sale investments	22	6,704	22,266
Deferred tax assets	23	550,222	498,371
		<b>73,261,141</b>	60,661,468
<b>CURRENT ASSETS</b>			
Inventories	24	1,015,266	851,315
Accounts receivable	25	2,835,227	2,764,475
Prepayments, deposits and other receivables	26	1,077,036	762,435
Financial assets	47(c)	99,935	127,659
Pledged deposits	27	211,504	176,575
Non-pledged deposits with maturity of more than three months when acquired	27	1,570,777	97,375
Cash and cash equivalents	27	3,588,404	2,248,386
Due from ultimate holding company	28	289,933	474,216
Due from related companies	29	14,378	38,039
		<b>10,702,460</b>	7,540,475
<b>TOTAL ASSETS</b>		<b>83,963,601</b>	68,201,943
<b>CURRENT LIABILITIES</b>			
Air traffic liabilities		(1,530,484)	(1,476,619)
Accounts payable	30	(5,221,061)	(4,601,364)
Bills payable	31	(651,345)	(327,937)
Other payables and accruals	32	(4,192,887)	(4,168,435)
Financial liabilities	47(c)	(242,108)	(1,791)
Tax payable		(534,273)	(421,077)
Obligations under finance leases	33	(2,354,905)	(1,954,873)
Bank and other loans	34	(11,139,021)	(10,401,170)
Provision for major overhauls	35	(47,318)	(18,721)
Due to related companies	29	(39,989)	(174,151)
		<b>(25,953,391)</b>	(23,546,138)
<b>NET CURRENT LIABILITIES</b>		<b>(15,250,931)</b>	(16,005,663)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>58,010,210</b>	44,655,805

	Notes	2006 RMB'000	2005 RMB'000
<b>NON-CURRENT LIABILITIES</b>			
Obligations under finance leases	33	(11,247,855)	(8,078,671)
Bank loans, other loans and corporate bonds	34	(12,701,977)	(12,822,879)
Provision for major overhauls	35	(921,929)	(635,718)
Provision for early retirement benefits obligations		(201,199)	(189,141)
Long term payables	36	(252,591)	(352,880)
Deferred income	37	(948,966)	(1,025,910)
		(26,274,517)	(23,105,199)
		<b>31,735,693</b>	21,550,606
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY</b>			
Issued share capital	38	12,251,362	9,433,211
Treasury shares	39	(1,246,955)	–
Reserves	40	18,117,084	10,434,237
Proposed final dividend	14	602,767	224,793
		<b>29,724,258</b>	20,092,241
<b>MINORITY INTERESTS</b>		<b>2,011,435</b>	1,458,365
		<b>31,735,693</b>	21,550,606

**Cai Jianjiang**  
Director

**Fan Cheng**  
Director