

BALANCE SHEET

at 31 December 2006

	Note	2006 RMB millions	2005 RMB millions
Assets			
Current assets			
Cash at bank and in hand	4	2,983	5,124
Bills receivable	5	2,760	1,334
Trade accounts receivable	6	8,832	8,826
Other receivables	7	8,462	9,604
Advance payments	8	4,393	4,118
Inventories	9	53,592	49,862
Total current assets		81,022	78,868
Long-term equity investments (Including equity investment differences of RMB 13,311 million (2005: RMB 2,017 million))	10	129,101	133,203
Fixed assets			
Fixed assets, at cost		470,667	294,206
Less: Accumulated depreciation		211,899	123,747
Net book value of fixed assets before impairment losses	11	258,768	170,459
Less: Provision for impairment losses on fixed assets	11	4,374	4,191
Net book value of fixed assets		254,394	166,268
Construction materials	12	412	555
Construction in progress	13	40,526	38,937
Total fixed assets		295,332	205,760
Intangible assets and other assets			
Intangible assets	14	5,166	4,238
Long-term deferred expenses	15	3,279	2,656
Total intangible assets and other assets		8,445	6,894
Deferred tax assets	16	5,839	3,203
Total assets		519,739	427,928
Liabilities and shareholders' funds			
Current liabilities			
Short-term loans	17	15,851	6,940
Bills payable	18	16,265	19,077
Trade accounts payable	19	38,041	28,833
Receipts in advance	20	16,398	12,491
Wages payable		2,634	2,525
Staff welfare payable		591	514
Taxes payable	21	8,771	2,075
Other payables	22	3,359	527
Other creditors	23	45,331	22,914
Accrued expenses	24	21	173
Short-term debentures payable	27	9,885	9,921
Current portion of long-term loans	25	13,863	12,144
Total current liabilities		171,010	118,134
Long-term liabilities			
Long-term loans	26	88,029	89,113
Debentures payable	27	3,500	3,500
Other long-term liabilities	28	768	315
Total long-term liabilities		92,297	92,928
Total liabilities		263,307	211,062
Shareholders' funds			
Share capital	29	86,702	86,702
Capital reserve	30	38,483	37,797
Surplus reserves	31	59,094	34,028
Retained profits (Including dividend proposed after the balance sheet date in respect of year 2006 of RMB 9,537 million (2005: RMB 7,803 million))	40	72,153	58,339
Total shareholders' funds		256,432	216,866
Total liabilities and shareholders' funds		519,739	427,928

These financial statements have been approved by the board of directors on 6 April 2007.

Chen Tonghai
Chairman
(Authorised representative)

Wang Tianpu
Director,
President

Dai Houliang
Director,
Senior Vice President and
Chief Financial Officer

Liu Yun
Head of Corporate Finance
Department

The notes on pages 86 to 115 form part of these financial statements.