

Statement of Changes in Equity

For the year ended 31st December, 2006
(Prepared in accordance with International Financial Reporting Standards)
(Amounts expressed in thousands of RMB)

	Attributable to equity holders of the Company							Total equity
	Share capital	Additional paid-in capital	Dedicated capital			Available-for-sale investment revaluation reserve	Retained earnings	
			Statutory and discretionary surplus reserve funds	Statutory public welfare fund	Sub-total			
Balance as at 1st January, 2005	12,055,383	8,972,184	2,202,689	1,863,281	4,065,970	—	11,639,947	36,733,484
Dividends relating to 2004	—	—	—	—	—	—	(3,013,846)	(3,013,846)
Profit for the year ended 31st December, 2005	—	—	—	—	—	—	3,988,694	3,988,694
Fair value gains from available-for-sale investment - gross (Note 13)	—	—	—	—	—	749,369	—	749,369
Fair value gains from available-for-sale investment - tax (Note 27)	—	—	—	—	—	(112,405)	—	(112,405)
Transfer from statutory public welfare fund to discretionary surplus reserve fund	—	—	3,473	(3,473)	—	—	—	—
Transfer to dedicated capital (Note 20)	—	—	476,262	357,197	833,459	—	(833,459)	—
Balance as at 31st December, 2005	12,055,383	8,972,184	2,682,424	2,217,005	4,899,429	636,964	11,781,336	38,345,296
Balance as at 1st January, 2006	12,055,383	8,972,184	2,682,424	2,217,005	4,899,429	636,964	11,781,336	38,345,296
Dividends relating to 2005	—	—	—	—	—	—	(3,013,846)	(3,013,846)
Profit for the year ended 31st December, 2006	—	—	—	—	—	—	5,246,152	5,246,152
Fair value gains from available-for-sale investment - gross (Note 13)	—	—	—	—	—	425,534	—	425,534
Fair value gains from available-for-sale investment - tax (Note 27)	—	—	—	—	—	(63,830)	—	(63,830)
Transfer from statutory public welfare fund to statutory surplus reserve fund	—	—	2,217,005	(2,217,005)	—	—	—	—
Transfer to dedicated capital (Note 20)	—	—	555,038	—	555,038	—	(555,038)	—
Balance as at 31st December, 2006	12,055,383	8,972,184	5,454,467	—	5,454,467	998,668	13,458,604	40,939,306

The notes on pages 94 to 154 are an integral part of these financial statements.