

COMBINED BALANCE SHEET

| | Note | 31 December | |
|---|------|-------------------|-----------------|
| | | 2006 RMB'000 | 2005 RMB'000 |
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 6 | 944,571 | 996,540 |
| Land use rights | 7 | 2,171,614 | 2,108,815 |
| Available-for-sale financial assets | 8 | 20,000 | 25,000 |
| Properties under development | 9 | 212,573 | 113,842 |
| Deferred income tax assets | 18 | 555,566 | 723,852 |
| | | 3,904,324 | 3,968,049 |
| Current assets | | | |
| Land use rights | 7 | 1,584,777 | 1,607,841 |
| Properties under development | 9 | 3,725,848 | 3,245,454 |
| Completed properties held for sale | 10 | 1,641,029 | 1,295,393 |
| Inventories | 11 | 89,955 | 114,041 |
| Trade and other receivables | 12 | 1,439,064 | 2,571,351 |
| Prepaid taxes | | 942,012 | 264,070 |
| Restricted cash | 13 | 454,669 | 135,810 |
| Cash and cash equivalents | 14 | 1,529,689 | 824,707 |
| | | 11,407,043 | 10,058,667 |
| Total assets | | 15,311,367 | 14,026,716 |
| EQUITY | | | |
| Capital and reserves attributable to the equity owners | | | |
| Combined capital | 15 | 764,568 | 764,568 |
| Reserves | 16 | 545,259 | 1,540,216 |
| | | 1,309,827 | 2,304,784 |
| Minority interests | | 165,535 | 17,054 |
| Total equity | | 1,475,362 | 2,321,838 |

COMBINED BALANCE SHEET (CONTINUED)

| | Note | 31 December | |
|--|------|-------------------|-----------------|
| | | 2006 RMB'000 | 2005 RMB'000 |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Borrowings | 17 | 2,858,200 | 3,723,210 |
| Deferred income tax liabilities | 18 | 130,957 | 634,692 |
| | | 2,989,157 | 4,357,902 |
| Current liabilities | | | |
| Advanced proceeds received from customers | | 7,481,986 | 3,830,050 |
| Trade and other payables | 19 | 1,848,859 | 2,287,533 |
| Income tax payable | | 292,911 | 627,893 |
| Borrowings | 17 | 1,223,092 | 601,500 |
| | | 10,846,848 | 7,346,976 |
| Total liabilities | | 13,836,005 | 11,704,878 |
| Total equity and liabilities | | 15,311,367 | 14,026,716 |
| Net current assets | | 560,195 | 2,711,691 |
| Total assets less current liabilities | | 4,464,519 | 6,679,740 |

Approved by the Board of Directors on 20 April 2007.

Cui Jianbo
Director

Yang Erzhu
Director

The notes on pages 55 to 115 form an integral part of these combined financial statements.