

## BALANCE SHEET

31 December 2006

	Notes	2006 RMB'000	2005 RMB'000
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	15	8,729,674	7,149,771
Investments in subsidiaries	16	9,061	2,712
Interests in jointly-controlled entities	17	124,260	131,526
Total non-current assets		8,862,995	7,284,009
<b>CURRENT ASSETS</b>			
Inventories	18	291,059	229,782
Prepayments, deposits and other receivables		486,108	286,870
Accounts receivable	19	1,350,157	818,994
Due from the ultimate holding company	20	33,419	45,913
Due from other CNOOC group companies	21	9,808	2,800
Available-for-sale investments	22	75,008	-
Pledged time deposits	23	12,150	1,093
Cash and cash equivalents	23	1,988,495	926,230
Total current assets		4,246,204	2,311,682
<b>CURRENT LIABILITIES</b>			
Trade and other payables	24	1,763,407	857,504
Short term debentures	25	997,417	-
Salary and bonus payables		237,530	206,805
Tax payable		52,253	94,573
Due to the ultimate holding company	20,28	217,090	218,844
Due to other CNOOC group companies	21	25,297	23,789
Total current liabilities		3,292,994	1,401,515
<b>NET CURRENT ASSETS</b>		<b>953,210</b>	<b>910,167</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>9,816,205</b>	<b>8,194,176</b>
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liabilities	26	348,756	385,816
Interest-bearing bank borrowings	27	600,000	-
Long term payable to the ultimate holding company	28	200,000	200,000
Total non-current liabilities		1,148,756	585,816
<b>Net assets</b>		<b>8,667,449</b>	<b>7,608,360</b>
<b>EQUITY</b>			
Issued capital	29	3,995,320	3,995,320
Reserves	30 (b)	4,432,410	3,448,832
Proposed final dividend	13	239,719	164,208
<b>Total equity</b>		<b>8,667,449</b>	<b>7,608,360</b>

Director: Fu Chengyu

Director: Yuan Guangyu