

# BALANCE SHEET

at 31 December 2006

(Expressed in millions of Renminbi unless otherwise stated)

	Note	2006	2005
<b>Assets</b>			
Cash and balances with banks and other financial institutions		<b>20,831</b>	22,476
Balances with central bank		<b>82,372</b>	62,102
Placements with banks and other financial institutions		<b>88,171</b>	46,982
Loans and advances to customers		<b>549,420</b>	458,675
Investments		<b>178,885</b>	131,869
Investment in subsidiary	1(c)	<b>53</b>	53
Fixed assets		<b>7,326</b>	6,729
Deferred tax assets		<b>2,260</b>	2,166
Other assets		<b>4,711</b>	3,513
<b>Total assets</b>		<b>934,029</b>	734,565
<b>Liabilities</b>			
Deposits from banks and other financial institutions		<b>68,854</b>	39,673
Placements from banks and other financial institutions		<b>7,749</b>	3,574
Deposits from customers		<b>773,757</b>	634,404
Financial liabilities at fair value through profit or loss		<b>106</b>	86
Certificates of deposit issued		<b>1,170</b>	1,211
Convertible bonds issued		<b>22</b>	5,184
Other debts issued		<b>9,987</b>	9,982
Current taxation		<b>2,652</b>	2,715
Other liabilities		<b>11,134</b>	8,285
Subordinated notes issued		<b>3,500</b>	3,500
<b>Total liabilities</b>		<b>878,931</b>	708,614

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at 31 December 2006

(Expressed in millions of Renminbi unless otherwise stated)

	Note	2006	2005
<b>Shareholders' equity</b>			
Share capital		<b>14,703</b>	10,374
Capital reserve		<b>27,536</b>	6,095
Surplus reserve		<b>2,377</b>	1,591
Investment revaluation reserve		<b>195</b>	404
Regulatory general reserve		<b>6,500</b>	3,000
Retained profits		<b>1,312</b>	2,871
Proposed profit appropriations		<b>2,475</b>	1,616
<b>Total shareholders' equity</b>		<b>55,098</b>	25,951
<b>Total shareholders' equity and liabilities</b>		<b>934,029</b>	734,565

Approved and authorised for issue by the board of directors on 16 April 2007.

**Qin Xiao**, Director

**Ma Wei Hua**, Director

The notes on pages 141 to 219 form part of these financial statements.