

Balance Sheets

At 31st December 2007

	Note	Group		Company	
		2007 HK\$ million	2006 HK\$ million	2007 HK\$ million	2006 HK\$ million
Non-current assets					
Fixed assets					
– Property, plant and equipment		41,112	41,763	–	–
– Assets under construction		2,623	2,355	–	–
– Interests in leasehold land held for own use under operating leases		2,323	2,378	–	–
	14	46,058	46,496	–	–
Interest in subsidiaries	15	–	–	28,801	26,992
Interest in associates	16	9,071	6,339	–	–
Other non-current financial assets	17	66	1,687	–	–
Derivative financial instruments	24	122	47	–	–
Deferred tax assets	25	–	1	–	1
Employee retirement benefit assets	26	1,106	578	62	34
		56,423	55,148	28,863	27,027
Current assets					
Inventories	18	539	484	–	–
Trade and other receivables	19	1,197	1,119	102	51
Fuel Clause Account	20	336	566	–	–
Bank deposits and cash	21	12,180	10,462	12,154	10,417
		14,252	12,631	12,256	10,468
Current liabilities					
Trade and other payables	22	(1,071)	(1,095)	(43)	(37)
Bank overdrafts – unsecured		–	(4)	–	–
Current portion of bank loans and other borrowings	23	(2,191)	(1,089)	–	–
Current taxation		(424)	(551)	(12)	(9)
		(3,686)	(2,739)	(55)	(46)
Net current assets		10,566	9,892	12,201	10,422
Total assets less current liabilities		66,989	65,040	41,064	37,449
Non-current liabilities					
Interest-bearing borrowings	23	(11,304)	(13,596)	–	–
Derivative financial instruments	24	(7)	(1)	–	–
Customers' deposits		(1,585)	(1,537)	–	–
Deferred tax liabilities	25	(5,444)	(5,432)	–	–
Employee retirement benefit liabilities	26	(530)	(389)	(105)	(81)
		(18,870)	(20,955)	(105)	(81)
Rate Reduction Reserve	11(b)	(1)	–	–	–
Development Fund	11(a)	(14)	–	–	–
Net assets		48,104	44,085	40,959	37,368
Capital and reserves					
Share capital	27	2,134	2,134	2,134	2,134
Reserves		45,970	41,951	38,825	35,234
Total equity attributable to equity shareholders of the Company	28	48,104	44,085	40,959	37,368

Approved and authorised for issue by the Board of Directors on 6th March 2008

Canning Fok Kin-ning
Chairman

Tso Kai-sum
Group Managing Director

The notes on pages 54 to 109 form part of these financial statements.