

Unaudited Condensed Interim Financial Report

Unaudited Condensed Consolidated Balance Sheet

As at 30 June 2002 and 31 December 2001

(Expressed in thousands of RMB)

	Note	Unaudited 30 June 2002	Audited 31 December 2001
Non-current assets:			
Property, plant and equipment, net		79,699,444	75,748,435
Goodwill		19,785	43,287
Deferred expenditures	10(b), 11	1,500,597	1,015,438
Deferred tax assets		863,398	1,012,216
Investment securities		121,547	123,500
Investment in associated companies		2,363	4,146
Total non-current assets		82,207,134	77,947,022
Current assets:			
Current portion of deferred tax assets		326,710	569,192
Amounts due from related parties	16	947,207	1,430,818
Amounts due from domestic carriers		145,922	199,460
Prepayments and other current assets		1,422,340	969,561
Inventories		1,028,353	751,991
Accounts receivable, net	12	2,959,724	2,498,063
Trading securities		213,798	203,832
Short-term bank deposits		8,337,761	24,921,943
Cash and cash equivalents		15,755,472	18,413,010
Total current assets		31,137,287	49,957,870
Current liabilities:			
Dividend payable		37,055	29,847
Payables and accrued liabilities	13	14,297,734	15,329,436
Amounts due to Unicom Group	16	381,567	947,934
Amounts due to related parties	16	523,874	135,724
Amounts due to domestic carriers		800,659	742,366
Current portion of obligations under finance leases	14	8,151	8,151
Current portion of long-term bank loans	14	1,291,408	843,603
Taxes payable		684,689	1,025,269
Advances from customers		3,123,936	2,765,541
Short-term bank loans	14	4,975,521	7,089,000
Total current liabilities		26,124,594	28,916,871
Net current assets		5,012,693	21,040,999
Total assets less current liabilities		87,219,827	98,988,021

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Unaudited Condensed Consolidated Balance Sheet (Cont'd)

As at 30 June 2002 and 31 December 2001

(Expressed in thousands of RMB)

	Note	Unaudited 30 June 2002	Audited 31 December 2001
Financed by:			
Share capital	15	1,331,371	1,331,371
Share premium		52,482,127	52,482,127
Reserves		826,286	826,286
Retained profits		9,292,909	7,041,379
Shareholders' equity		63,932,693	61,681,163
Minority interests		717,589	829,405
Non-current liabilities:			
Long-term bank loans	14	22,431,091	36,336,768
Obligations under finance leases	14	96,681	100,757
Other long-term liabilities		41,773	39,928
Total non-current liabilities		22,569,545	36,477,453
		87,219,827	98,988,021