

# Consolidated Statement of Changes in Equity

For the year ended 31 December 2005

(All amounts in RMB thousands)

	The Group							
	Share capital	Share premium	Employee share-based compensation reserve	Revaluation reserve	Statutory reserve	Retained profits	Minority Interest	Total
Balance at 1 January 2004, as previously reported as equity	1,331,390	52,483,266	—	176,853	1,542,478	14,081,503	—	69,615,490
Effects of changes of accounting policies upon adoption of the new HKFRS:								
- Share-based payment for employee services (Note 2.2(b))	—	—	21,707	—	—	(21,707)	—	—
- Upfront non-refundable revenue and the related direct incremental cost (Note 2.2(d))	—	—	—	—	—	(563,622)	—	(563,622)
Balance at 1 January 2004, as restated	1,331,390	52,483,266	21,707	176,853	1,542,478	13,496,174	—	69,051,868
Profit for the year (Restated)	—	—	—	—	—	4,493,451	—	4,493,451
Employees share option scheme:								
- Value of employee services	—	—	88,957	—	—	—	—	88,957
- Recognition of share issued on exercise of options (Note 28)	1,097	63,028	—	—	—	—	—	64,125
Appropriation to statutory reserve (Note 27)	—	—	—	—	429,300	(429,300)	—	—
Dividends relating to 2003	—	—	—	—	—	(1,256,160)	—	(1,256,160)
Balance at 31 December 2004	1,332,487	52,546,294	110,664	176,853	1,971,778	16,304,165	—	72,442,241
Derecognition of negative goodwill (Note 2.2(c))	—	—	—	—	—	7,425	—	7,425
Balance at 1 January 2005, as restated	1,332,487	52,546,294	110,664	176,853	1,971,778	16,311,590	—	72,449,666
Profit for the year	—	—	—	—	—	4,931,052	234	4,931,286
Subscription of shares of a subsidiary by minority shareholder (Note 1)	—	—	—	—	—	—	2,500	2,500
Employee share option scheme:								
- Value of employee services	—	—	108,417	—	—	—	—	108,417
- Recognition of share issued on exercise of options (Note 28)	1,134	54,720	(3,720)	—	—	—	—	52,134
Appropriation to statutory reserve (Note 27)	—	—	—	—	463,339	(463,339)	—	—
Dividends relating to 2004 (Note 30)	—	—	—	—	—	(1,256,924)	—	(1,256,924)
Balance at 31 December 2005	1,333,621	52,601,014	215,361	176,853	2,435,117	19,522,379	2,734	76,287,079

	The Company				
	Share capital	Share premium	Employee share-based compensation reserve	Retained profits	Total
Balance at 1 January 2004, as previously reported as equity	1,331,390	52,483,266	—	2,577,229	56,391,885
Effects of changes of accounting policies upon adoption of the new HKFRS					
– Share-based payment for employee services (Note 2.2(b))	—	—	21,707	(21,707)	—
Balance at 1 January 2004, as restated	1,331,390	52,483,266	21,707	2,555,522	56,391,885
Loss for the year (Restated)	—	—	—	(79,599)	(79,599)
Employee share option scheme:					
– Value of employee services	—	—	88,957	—	88,957
– Recognition of share issued on exercise of options (Note 28)	1,097	63,028	—	—	64,125
Dividends related to 2003	—	—	—	(1,256,160)	(1,256,160)
Balance at 31 December 2004	1,332,487	52,546,294	110,664	1,219,763	55,209,208
Profit for the year	—	—	—	3,130,282	3,130,282
Employee share option scheme:					
– Value of employee services	—	—	108,417	—	108,417
– Recognition of share issued on exercise of options (Note 28)	1,134	54,720	(3,720)	—	52,134
Dividends relating to 2004 (Note 30)	—	—	—	(1,256,924)	(1,256,924)
Balance at 31 December 2005	1,333,621	52,601,014	215,361	3,093,121	57,243,117

The notes on pages 80 to 171 are an integral part of these consolidated financial statements.