

CONSOLIDATED BALANCE SHEET

at 31 December 2006 (Expressed in Renminbi)

	Note	2006 RMB million	2005 RMB million
Non-current assets			
Property, plant and equipment	14(a)	218,274	216,505
Construction in progress	15	52,436	34,201
Land lease prepayments		7,675	7,243
Goodwill	17	36,894	35,300
Other intangible assets	18	700	—
Interest in associates	20	—	—
Other financial assets	21	77	77
Deferred tax assets	22	7,113	6,625
		323,169	299,951
Current assets			
Inventories	23	3,007	2,365
Accounts receivable	24	7,153	6,603
Other receivables	25	2,500	1,911
Prepayments and other current assets		4,613	3,583
Amount due from ultimate holding company	26	305	63
Tax recoverable	10(c)	468	165
Deposits with banks		82,294	41,925
Cash and cash equivalents	27	71,167	64,461
		171,507	121,076
Current liabilities			
Accounts payable	28	57,240	41,931
Bills payable		2,212	1,359
Deferred revenue	29	21,823	16,975
Accrued expenses and other payables		46,130	40,007
Amount due to ultimate holding company	26	129	269
Amount due to immediate holding company	26	186	96
Interest-bearing borrowings	30(a)	2,996	—
Obligations under finance leases	31	68	68
Current taxation	10(c)	9,823	9,249
		140,607	109,954
Net current assets		30,900	11,122
Total assets less current liabilities carried forward		354,069	311,073

CONSOLIDATED BALANCE SHEET (CONT'D)

at 31 December 2006 (Expressed in Renminbi)

	Note	2006 RMB million	2005 RMB million
Total assets less current liabilities brought forward		354,069	311,073
Non-current liabilities			
Interest-bearing borrowings	30(a)	(33,574)	(36,545)
Deferred revenue, excluding current portion	29	(930)	(1,324)
Deferred tax liabilities	22	(192)	(97)
		(34,696)	(37,966)
NET ASSETS		319,373	273,107
CAPITAL AND RESERVES	34(a)		
Share capital		2,130	2,116
Reserves		316,872	270,708
Total equity attributable to equity shareholders of the Company		319,002	272,824
Minority interests		371	283
TOTAL EQUITY		319,373	273,107

Approved and authorized for issue by the board of directors on 21 March 2007

Wang Jianzhou
Director

Xue Taohai
Director

The notes on pages 64 to 117 form part of these financial statements.