

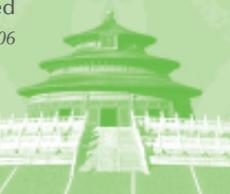


Consolidated Balance Sheet

As at December 31, 2006

	Note	As at December 31	
		2006	2005
		RMB million	RMB million
Assets			
Current assets			
Cash and bank deposits	16	7,571	4,895
Accounts receivable	17	8,283	7,401
Inventories and consumables	18	416	472
Prepayments, other receivables and other current assets	19	1,437	1,484
Due from holding companies and fellow subsidiaries	30	352	247
Total current assets		18,059	14,499
Non-current assets			
Fixed assets	20	168,044	168,663
Construction in progress	21	6,355	6,822
Lease prepayments	22	2,364	1,949
Intangible assets	23	1,588	1,393
Deferred tax assets	33	3,459	3,480
Other non-current assets	24	3,966	6,034
Total non-current assets		185,776	188,341
Total assets		203,835	202,840

The notes on pages 86 to 144 are an integral part of these consolidated financial statements.



Consolidated Balance Sheet

As at December 31, 2006

	Note	As at December 31	
		2006 RMB million	2005 RMB million
Liabilities and equity			
Current liabilities			
Accounts payable	27	17,654	16,719
Accruals and other payables	28	3,056	3,905
Short term commercial papers	29(a)(i)	9,811	—
Short term bank loans	29(a)(ii)	30,980	47,341
Current portion of long term bank and other loans	29(b)	7,304	6,846
Due to ultimate holding company and fellow subsidiaries	30	7,519	8,990
Current portion of deferred revenues	31	7,733	7,975
Current portion of provisions	32	3,736	4,029
Taxation payable		3,009	2,594
Total current liabilities		90,802	98,399
Net current liabilities		(72,743)	(83,900)
Total assets less current liabilities		113,033	104,441
Non-current liabilities			
Long term bank and other loans	29(b)	23,219	18,143
Due to ultimate holding company and fellow subsidiaries	30	5,880	7,840
Deferred revenues	31	6,198	10,925
Provisions	32	2,586	3,174
Deferred tax liabilities	33	1,156	1,324
Other non-current liabilities		16	25
Total non-current liabilities		39,055	41,431
Total liabilities		129,857	139,830
Financed by:			
Share capital	34	2,199	2,181
Reserves		71,779	60,829
Shareholders' equity		73,978	63,010
Total liabilities & equity		203,835	202,840

The notes on pages 86 to 144 are an integral part of these consolidated financial statements.

Zuo Xunsheng

Director

Li Fushen

Director