

Consolidated Statement of Changes in Equity

For the year ended 31 December 2006

(All amounts in RMB thousands)

The Group									
	Share capital	Share premium	Employee share-based compensation reserve	Revaluation reserve	Statutory reserve	Retained profits	Total	Minority interest	Total equity
Balance at 1 January 2005	1,332,487	52,546,294	110,664	176,853	1,971,778	16,311,590	72,449,666	—	72,449,666
Profit for the year	—	—	—	—	—	4,931,052	4,931,052	234	4,931,286
Subscription of shares of a subsidiary by minority shareholder (Note 22(a))	—	—	—	—	—	—	—	2,500	2,500
Employee share option scheme:									
– Value of employee services	—	—	108,417	—	—	—	108,417	—	108,417
– Recognition of shares issued on exercise of options (Note 29)	1,134	54,720	(3,720)	—	—	—	52,134	—	52,134
Appropriation to statutory reserve (Note 28)	—	—	—	—	463,339	(463,339)	—	—	—
Dividends relating to 2004 (Note 31)	—	—	—	—	—	(1,256,924)	(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	76,284,345	2,734	76,287,079
Profit for the year	—	—	—	—	—	3,731,824	3,731,824	107	3,731,931
Revaluation of buildings – gross (Note 6)	—	—	—	200,330	—	—	200,330	—	200,330
Revaluation of buildings – tax (Note 6)	—	—	—	(105,129)	—	—	(105,129)	—	(105,129)
Employee share option scheme:									
– Value of employee services	—	—	146,294	—	—	—	146,294	—	146,294
– Recognition of shares issued on exercise of options (Note 29)	10,819	621,962	(97,482)	—	—	—	535,299	—	535,299
Appropriation to statutory reserve (Note 28)	—	—	—	—	583,586	(583,586)	—	—	—
Dividends relating to 2005 (Note 31)	—	—	—	—	—	(1,384,146)	(1,384,146)	—	(1,384,146)
Balance at 31 December 2006	1,344,440	53,222,976	264,173	272,054	3,018,703	21,286,471	79,408,817	2,841	79,411,658

The Company

	Share capital	Share premium	Employee share-based compensation reserve	Retained profits	Total equity
Balance at 1 January 2005	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 shares issued on exercise of options (Note 29)	1,134	54,720	(3,720)	—	52,134
Dividends relating to 2004 (Note 31)	—	—	—	(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
Profit for the year	—	—	—	658,804	658,804
Employee share option scheme:					
– Value of employee services	—	—	146,294	—	146,294
– Recognition of shares issued on exercise of options (Note 29)	10,819	621,962	(97,482)	—	535,299
Dividends relating to 2005 (Note 31)	—	—	—	(1,384,146)	(1,384,146)
Balance at 31 December 2006	1,344,440	53,222,976	264,173	2,367,779	57,199,368

The notes on pages 84 to 170 are an integral part of these consolidated financial statements.