

Balance Sheet

at 31 December 2006
(Amounts in millions)

	Note	2006 RMB	2005 RMB
ASSETS			
Non-current assets			
Property, plant and equipment, net	3	371	348
Construction in progress	4	249	156
Investments in subsidiaries	5	177,132	165,926
Other assets		26	31
Total non-current assets		177,778	166,461
Current assets			
Accounts receivable, net	10	266	18
Prepayments and other current assets	11	64,935	51,738
Cash and cash equivalents	12	8,381	4,139
Total current assets		73,582	55,895
Total assets		251,360	222,356
LIABILITIES AND EQUITY			
Current liabilities			
Short-term debt	13	20,000	9,917
Accounts payable	14	69	74
Accrued expenses and other payables	15	15,809	719
Income tax payable		1,419	576
Total current liabilities		37,297	11,286
Net current assets		36,285	44,609
Total assets less current liabilities		214,063	211,070
Non-current liabilities			
Long-term debt	13	30,150	40,150
Total liabilities		67,447	51,436
Equity			
Share capital	18	80,932	80,932
Reserves	19	102,981	89,988
Total equity		183,913	170,920
Total liabilities and equity		251,360	222,356

Approved and authorised for issue by the Board of Directors on 26 March 2007.

Wang Xiaochu
Chairman and Chief
Executive Officer

Leng Rongquan
Executive Director,
President and Chief
Operating Officer

Wu Andi
Executive Director,
Executive Vice President
and Chief Financial Officer

The notes on pages 92 to 139 form part of these financial statements.