

Consolidated Balance Sheet

At 31 December 2007

(Amounts in millions)

	Note	2007 RMB	2006 RMB (restated)
ASSETS			
Non-current assets			
Property, plant and equipment, net	3	326,123	328,379
Construction in progress	4	13,208	18,426
Lease prepayments		5,239	5,092
Intangible assets	5	2,758	1,857
Interests in associates	7	793	581
Investments	8	274	203
Deferred tax assets	9	9,260	10,971
Other assets	17	7,669	9,156
Total non-current assets		365,324	374,665
Current assets			
Inventories	10	2,663	3,213
Accounts receivable, net	11	16,710	15,992
Prepayments and other current assets	12	2,751	2,556
Time deposits with maturity over three months		172	119
Cash and cash equivalents	13	20,384	22,326
Total current assets		42,680	44,206
Total assets		408,004	418,871
LIABILITIES AND EQUITY			
Current liabilities			
Short-term debt	14	67,166	79,576
Current portion of long-term debt	14	3,811	8,242
Accounts payable	15	28,363	32,355
Accrued expenses and other payables	16	30,476	27,186
Income tax payable		3,068	3,124
Current portion of finance lease obligations		24	48
Current portion of deferred revenues	17	5,629	7,098
Total current liabilities		138,537	157,629
Net current liabilities		(95,857)	(113,423)
Total assets less current liabilities		269,467	261,242
Non-current liabilities			
Long-term debt	14	34,148	37,257
Finance lease obligations		5	—
Deferred revenues	17	9,823	13,625
Deferred tax liabilities	9	3,119	2,711
Total non-current liabilities		47,095	53,593
Total liabilities		185,632	211,222

The notes on pages 122 to 194 form part of these financial statements.

Consolidated Balance Sheet (Continued)

At 31 December 2007
(Amounts in millions)

	Note	2007 RMB	2006 RMB (restated)
Equity			
Share capital	18	80,932	80,932
Reserves	19	139,989	125,269
Total equity attributable to equity holders of the Company		220,921	206,201
Minority interests		1,451	1,448
Total equity		222,372	207,649
Total liabilities and equity		408,004	418,871

Approved and authorised for issue by the Board of Directors on 31 March 2008.

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 122 to 194 form part of these financial statements.