

Balance Sheet

At 31 December 2007

(Amounts in millions)

	Note	2007 RMB	2006 RMB
ASSETS			
Non-current assets			
Property, plant and equipment, net	3	641	371
Construction in progress	4	202	249
Lease prepayments		11	–
Intangible assets	5	24	24
Investments in subsidiaries	6	178,642	177,132
Other assets		4	2
Total non-current assets		179,524	177,778
Current assets			
Accounts receivable, net	11	255	266
Prepayments and other current assets	12	69,337	64,935
Cash and cash equivalents	13	5,814	8,381
Total current assets		75,406	73,582
Total assets		254,930	251,360
LIABILITIES AND EQUITY			
Current liabilities			
Short-term debt	14	10,000	20,000
Accounts payable	15	110	69
Accrued expenses and other payables	16	15,937	15,809
Income tax payable		1,106	1,419
Total current liabilities		27,153	37,297
Net current assets		48,253	36,285
Total assets less current liabilities		227,777	214,063
Non-current liabilities			
Long-term debt	14	30,150	30,150
Total liabilities		57,303	67,447
Equity			
Share capital	18	80,932	80,932
Reserves	19	116,695	102,981
Total equity		197,627	183,913
Total liabilities and equity		254,930	251,360

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.