



SUPPLEMENTARY INFORMATION FOR AMERICAN DEPOSITARY SHAREHOLDERS

The Group's accounting policies conform with IFRS which differ in certain significant respects from accounting principles generally accepted in the United States of America ("US GAAP"). The differences, as they apply to the Group's financial statements, primarily relate to the US GAAP requirement that property, plant and equipment be carried at historical cost and depreciated, whereas under IFRS, property, plant and equipment can be carried in the financial statements at the revalued amount and depreciated. The details of such differences are set out in the Group's annual report for the year ended 31 December 2005. The US GAAP reconciliation presented below is included as supplemental information and is not required as part of the basic interim financial statements and has not been subject to independent audit or review.

The effect on net profit of significant differences between IFRS and US GAAP for the six-month periods ended 30 June 2006 and 2005 is as follows:

	Six-month periods ended 30 June		
	2006	2006	2005
	US\$ millions	RMB millions	RMB millions
	(Note)		
Net profit attributable to equity holders of the Company under IFRS	1,761	14,084	14,696
US GAAP adjustments:			
Depreciation on revalued property, plant and equipment, net of minority interests of RMB7 million for the six-month period ended 30 June 2006 (six-month period ended 30 June 2005: RMB8 million)	(419)	(3,353)	(3,399)
Disposal of revalued property, plant and equipment	(7)	(55)	(15)
Effect of change in tax rate on deferred tax assets arising from revaluation of land use rights	1	5	–
Effect of change in tax rate on deferred tax liabilities arising from revaluation of property, plant and equipment	(3)	(22)	–
Deferred tax effect of US GAAP adjustments	108	861	861
Net profit attributable to equity holders of the Company under US GAAP	1,441	11,520	12,143
Basic earnings per share under US GAAP	US\$0.02	RMB0.14	RMB0.15
Basic earnings per ADS* under US GAAP	US\$1.78	RMB14.23	RMB15.00

* Basic earnings per ADS is calculated on the basis that one ADS is equivalent to 100 H shares.



The effect on equity of significant differences between IFRS and US GAAP as at 30 June 2006 and 31 December 2005 is as follows:

	30 June 2006 US\$ millions (Note)	30 June 2006 RMB millions	31 December 2005 RMB millions
Equity attributable to equity holders of the Company under IFRS	23,682	189,323	181,517
US GAAP adjustments:			
Revaluation of property, plant and equipment, net of minority interests of RMB17 million as at 30 June 2006 (31 December 2005: RMB24 million)	1,486	11,879	15,287
Deferred tax effect of US GAAP adjustment	(357)	(2,852)	(3,691)
Equity attributable to equity holders of the Company under US GAAP	24,811	198,350	193,113

Note:

Solely for the convenience of the reader, the amounts as at and for the six-month period ended 30 June 2006 have been translated into United States dollars at the noon buying rate in New York City on 30 June 2006 for cable transfers in RMB as certified for custom purposes by the Federal Reserve Bank of New York of US\$1.00 = RMB7.9943. No representation is made that the RMB amounts could have been, or could be, converted into United States dollars at that rate or at any other certain rate on 30 June 2006, or at any other date.