

Consolidated Balance Sheet

At 31 December 2005
(Prepared under International Financial Reporting Standards)
(Expressed in Renminbi)



	Note	2005 RMB million	2004 RMB million (restated, Note 3)
Non-current assets			
Property, plant and equipment, net	18	54,266	46,841
Construction in progress	19	674	565
Lease prepayments		333	346
Interest in associates	21	142	429
Interest in jointly controlled entities	22	805	782
Other investments	23	320	272
Lease and equipment deposits		7,265	5,397
Deferred tax assets	24	74	51
Other assets	25	302	331
		64,181	55,014
Current assets			
Short-term investments	23	–	683
Inventories	26	1,382	1,302
Trade receivables	27	1,518	1,203
Other receivables	28	956	720
Prepaid expenses and other current assets		380	378
Amounts due from related companies	33	84	–
Cash and cash equivalents	29	2,901	3,083
		7,221	7,369
Current liabilities			
Bank and other loans	30	16,223	11,518
Obligations under finance leases	31	3,373	2,144
Trade and bills payables	32	3,929	1,690
Sales in advance of carriage		1,413	874
Taxes payable		28	39
Amounts due to related companies	33	116	2,434
Accrued expenses	34	4,250	4,551
Other liabilities	35	3,796	2,974
		33,128	26,224
Net current liabilities		(25,907)	(18,855)
Total assets less current liabilities		38,274	36,159

The notes on pages 47 to 101 form part of these financial statements.

Consolidated Balance Sheet (Cont'd)

At 31 December 2005
(Prepared under International Financial Reporting Standards)
(Expressed in Renminbi)

	Note	2005 RMB million	2004 RMB million (restated, Note 3)
Non-current liabilities and deferred items			
Bank and other loans	30	12,740	11,935
Obligations under finance leases	31	12,459	9,599
Provision for major overhauls	36	301	284
Deferred credits		496	100
Deferred tax liabilities	24	342	338
		26,338	22,256
Net assets			
		11,936	13,903
Capital and reserves			
Share capital	37	4,374	4,374
Reserves	38	5,626	7,474
Total equity attributable to equity shareholders of the Company			
		10,000	11,848
Minority interests			
		1,936	2,055
Total equity			
		11,936	13,903

Approved and authorised for issue by the board of directors on 19 April 2006.

Liu Shao Yong
Director

Si Xian Min
Director

Xu Jie Bo
Director