

# CONSOLIDATED BALANCE SHEET

at 31 December 2006  
(Amounts in millions)

	Note	2006 RMB	2005 RMB
<b>Non-current assets</b>			
Property, plant and equipment	18	366,475	317,382
Construction in progress	19	53,180	54,380
Goodwill	20	14,325	2,203
Investments	22	2,582	3,151
Interest in associates	23	11,617	9,267
Deferred tax assets	29	7,158	6,072
Lease prepayments		2,937	2,407
Long-term prepayments and other assets	25	8,049	7,121
<b>Total non-current assets</b>		<b>466,323</b>	<b>401,983</b>
<b>Current assets</b>			
Cash and cash equivalents		8,088	14,069
Time deposits with financial institutions		635	1,002
Trade accounts receivable	26	15,590	14,646
Bills receivable	26	8,757	7,167
Inventories	27	93,436	89,519
Prepaid expenses and other current assets	28	18,961	20,654
<b>Total current assets</b>		<b>145,467</b>	<b>147,057</b>
<b>Current liabilities</b>			
Short-term debts	30	53,359	40,411
Loans from Sinopec Group Company and fellow subsidiaries	30	5,401	2,805
Trade accounts payable	31	52,125	53,817
Bills payable	31	21,685	23,243
Accrued expenses and other payables	32	69,056	49,523
Income tax payable		9,176	5,212
<b>Total current liabilities</b>		<b>210,802</b>	<b>175,011</b>
<b>Net current liabilities</b>		<b>(65,335)</b>	<b>(27,954)</b>
<b>Total assets less current liabilities</b>		<b>400,988</b>	<b>374,029</b>
<b>Non-current liabilities</b>			
Long-term debts	30	69,970	72,359
Loans from Sinopec Group Company and fellow subsidiaries	30	39,095	39,933
Deferred tax liabilities	29	6,339	5,975
Other liabilities		795	782
<b>Total non-current liabilities</b>		<b>116,199</b>	<b>119,049</b>
		<b>284,789</b>	<b>254,980</b>
<b>Equity</b>			
Share capital	33	86,702	86,702
Reserves	34	176,143	137,599
<b>Total equity attributable to equity shareholders of the Company</b>		<b>262,845</b>	<b>224,301</b>
<b>Minority interests</b>		<b>21,944</b>	<b>30,679</b>
<b>Total equity</b>		<b>284,789</b>	<b>254,980</b>

Approved and authorised for issue by the board of directors on 6 April 2007.

**Chen Tonghai**  
Chairman

**Wang Tianpu**  
Director, President

**Dai Houliang**  
Director, Senior Vice President and  
Chief Financial Officer

The notes on pages 123 to 160 form part of these financial statements.