

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2005 (Expressed in Renminbi)

| | Note | 2005 | | 2004 | |
|--|------|----------------|-----------------|---------------------------|---------------------------|
| | | RMB million | RMB million | RMB million (restated) | RMB million (restated) |
| Total equity at 1 January | | | | | |
| As previously reported: | | | | | |
| — attributable to equity shareholders of the Company | 33 | 233,161 | | 198,803 | |
| — minority interests | 33 | 243 | | 182 | |
| | | 233,404 | | 198,985 | |
| Prior period adjustments arising from changes in accounting policies | 2 | — | | — | |
| As restated, before opening balance adjustments | 33 | | 233,404 | | 198,985 |
| Opening balance adjustments arising from changes in accounting policies | 33 | | 33 | | — |
| At 1 January, after prior period and opening balance adjustments | 33 | | 233,437 | | 198,985 |
| Profit for the year: | | | | | |
| As previously reported: | 2 | | | | |
| — attributable to equity shareholders of the Company | | | | 42,004 | |
| — minority interests | | | | 22 | |
| | | | | 42,026 | |
| Prior period adjustments arising from changes in accounting policies | 2 | | | (255) | |
| Profit for the year (2004: as restated) | 33 | | 53,589 | | 41,771 |
| Total recognized income and expense for the year (2004: as restated) | | | 53,589 | | 41,771 |
| Attributable to: | | | | | |
| Equity shareholders of the Company | | 53,549 | | 41,749 | |
| Minority interests | | 40 | | 22 | |
| | | 53,589 | | 41,771 | |
| Dividends declared or approved during the year | 33 | | (18,894) | | (8,349) |
| Movements in equity arising from capital transactions: | | | | | |
| Shares issued under share option scheme | 33 | 14 | | 3 | |
| Share premium arising on issuance of shares | 33 | 3,408 | | 700 | |
| Equity settled share-based transactions (2004: as restated) | 33 | 1,553 | | 255 | |
| Minority interests arising from acquisition of a subsidiary | 33 | — | | 39 | |
| | | | 4,975 | | 997 |
| Total equity at 31 December | | | 273,107 | | 233,404 |
| Restatements of total recognized income and expense for the year are attributable to: | | | | | |
| Equity shareholders of the Company | | | | | — |
| Minority interests | | | | | — |
| | | | | | — |
| Arising from restatement of: | | | | | |
| Net income recognized directly in equity | | | | | 255 |
| Profit for the year | | | | | (255) |
| | | | | | — |

The notes on pages 65 to 121 form part of these financial statements