

Consolidated Cash Flow Statement

For the year ended December 31, 2003

| | Year ended December 31, | |
|---|----------------------------|------------------------|
| | 2003 <i>RMB'000</i> | 2002 <i>RMB'000</i> |
| Cash flow from operating activities | | |
| Operating profit after finance costs | 4,627,069 | 1,632,074 |
| Depreciation | 2,043,983 | 1,981,537 |
| Loss on disposal of fixed assets | 160,823 | 7,270 |
| Impairment loss on fixed assets | 74,485 | — |
| Amortization of intangible assets | 48,464 | 44,119 |
| Unrealized loss on short-term investments | 2,979 | 786 |
| Unrealized loss (gain) on futures contracts | 10,244 | (13,180) |
| Realized loss on futures contracts | 54,970 | — |
| Interest waived | (44,476) | — |
| Interest income | (26,204) | (42,069) |
| Interest expense | 451,411 | 490,614 |
| Income from investment securities | (351) | (30) |
| Operating profit before working capital changes | 7,403,397 | 4,101,121 |
| (Increase) decrease in inventories | (819,477) | 484,783 |
| Decrease in accounts receivable and other receivables, including amounts due from related parties | 1,069,109 | 783,735 |
| Decrease in accounts payable and other payables, including amounts due to related parties | (223,159) | (1,470,077) |
| Cash generated from operations | 7,429,870 | 3,899,562 |
| Interest paid | (600,836) | (904,489) |
| PRC income taxes paid | (826,528) | (323,314) |
| | (1,427,364) | (1,227,803) |
| Net cash inflow from operating activities | 6,002,506 | 2,671,759 |

Consolidated Cash Flow Statement *(Continued)*

For the year ended December 31, 2003

| | Note | Year ended December 31, | |
|---|-------|----------------------------|-----------------|
| | | 2003 RMB'000 | 2002 RMB'000 |
| Investing activities | | | |
| Purchase of fixed assets, excluding interest capitalized | | (5,352,771) | (3,894,198) |
| Sale of fixed assets | | 50,038 | 29,296 |
| Purchase of intangible assets | | (17,542) | (19,840) |
| Purchase of investments | | | |
| - Held-to-maturity debt securities | | — | (10,000) |
| - Short-term listed investments | | (51,067) | (3,651) |
| Purchase of an unlisted equity investment | 19(a) | (10,000) | — |
| Investment in a jointly controlled entity | | (3,300) | — |
| Sales of long-term unlisted equity investment | | 100 | — |
| Sale of short-term listed investments | | 4,869 | 382 |
| Loss on settlement of futures contracts | | (41,790) | — |
| Interest received | | 26,204 | 42,069 |
| Dividends received from long-term investments | | — | 30 |
| Net decrease in bank deposits with initial term of over three months | | — | 75,100 |
| Net cash outflow from investing activities | | (5,395,259) | (3,780,812) |
| Net cash inflow (outflow) before financing | | 607,247 | (1,109,053) |
| Financing activities | 30 | | |
| Issue of shares | | — | 215,170 |
| Share issue expenses | | — | (10,415) |
| New loans borrowed | | 5,631,789 | 6,764,405 |
| Repayment of amounts borrowed | | (5,654,603) | (7,721,284) |
| | | (22,814) | (956,879) |
| Decrease in bank deposits pledged | | 46,169 | 101,002 |
| Dividend paid by a subsidiary to minority shareholders | | (23,851) | (39,493) |
| Other contributions by Chinalco* (Note 28(b)(i)) | | 85,500 | — |
| Capital injection by minority shareholders | | 80,600 | 600 |
| Dividend paid | | (472,496) | (178,498) |
| Net cash outflow from financing activities | | (306,892) | (868,513) |

Consolidated Cash Flow Statement *(Continued)*

For the year ended December 31, 2003

| | Year ended December 31, | |
|---|----------------------------|------------------------|
| | 2003 <i>RMB'000</i> | 2002 <i>RMB'000</i> |
| Increase (decrease) in cash and cash equivalents | 300,355 | (1,977,566) |
| Cash and cash equivalents at beginning of the year | 2,296,085 | 4,273,651 |
| Cash and cash equivalents at end of the year | 2,596,440 | 2,296,085 |
| Analysis of balances of cash and cash equivalents: | | |
| Bank balances and cash, not pledged | 2,596,440 | 2,296,085 |

* Aluminum Corporation of China 中國鋁業公司 (“Chinalco or the holding company”)