

(A) FINANCIAL STATEMENTS PREPARED UNDER THE PRC ACCOUNTING RULES AND REGULATIONS
CONSOLIDATED BALANCE SHEET

at 31 December 2002

	Note	2002 RMB millions	2001 RMB millions
Assets			
Current assets			
Cash at bank and in hand	4	18,712	22,854
Bills receivable	5	4,684	3,542
Trade accounts receivable	6	10,670	11,082
Other receivables	7	16,817	19,818
Advance payments	8	3,193	4,021
Inventories	9	44,932	45,448
Total current assets		99,008	106,765
Long-term equity investments (Including equity investment differences of RMB 532 million (2001: RMB 438 million))	10	11,025	8,910
Fixed assets			
Fixed assets, at cost		431,391	390,533
Less: Accumulated depreciation		199,602	177,040
	11	231,789	213,493
Less: Provision for impairment loss on fixed assets	11	391	391
Net book value of fixed assets		231,398	213,102
Construction materials	12	1,403	774
Construction in progress	13	21,122	26,006
Total fixed assets		253,923	239,882
Intangible assets	14	4,062	3,977
Deferred tax assets	15	357	760
Total assets		368,375	360,294
Liabilities and shareholders' funds			
Current liabilities			
Short-term loans	16	26,979	37,915
Bills payable	17	30,139	26,022
Trade accounts payable	18	19,212	16,793
Receipts in advance	19	3,767	2,884
Wages payable		1,447	1,020
Staff welfare payable		1,024	888
Dividend payable	38	5,202	6,936
Taxes payable	20	3,380	3,587
Other payables	21	1,054	1,035
Other creditors	22	19,787	20,112
Accrued expenses	23	561	873
Current portion of long-term liabilities	24	8,573	11,296
Total current liabilities		121,125	129,361
Long-term liabilities			
Long-term loans	25	73,708	65,501
Debentures payable	26	1,500	1,500
Other long-term payables	27	944	806
Total long-term liabilities		76,152	67,807
Deferred tax liabilities	15	474	679
Total liabilities		197,751	197,847
Minority interests		24,109	23,408
Shareholders' funds			
Share capital	28	86,702	86,702
Capital reserve	29	36,588	36,297
Surplus reserves (Including statutory public welfare fund of RMB 4,429 million (2001: RMB 3,017 million))	30	15,858	6,034
Undistributed profits		7,367	10,006
Total shareholders' funds		146,515	139,039
Total liabilities and shareholders' funds		368,375	360,294

Approved by the Board of Directors on 28 March 2003.

Li Yizhong
 Chairman
 (Authorized representative)

Wang Jiming
 Director and President

Zhang Jiaren
 Director, Vice President
 and Chief Financial
 Officer

Liu Yun
 Head of
 Accounting
 Division

The notes on pages 89 to 112 form part of these financial statements.