

# Consolidated Balance Sheet

(Prepared in accordance with International Financial Reporting Standards)  
AS AT 31st DECEMBER, 2003  
(Amounts expressed in thousands of Rmb)

		The Company and its subsidiaries As at 31st December,		The Company As at 31st December,	
	Note	2003	2002	2003	2002
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment, net	10	42,658,365	41,103,468	34,290,511	35,952,425
Investment in associates	11	2,766,031	200,960	2,766,031	200,960
Investment in subsidiaries	12	—	—	2,445,550	1,864,996
Available-for-sale investments	13	254,990	254,990	254,990	254,990
Land use rights and other assets		1,037,859	1,067,838	871,529	1,330,449
Deferred tax assets	29	21,311	—	13,239	—
Goodwill	14	298,876	126,560	107,231	45,612
Less: Negative goodwill	14	(1,730,949)	(1,978,227)	(1,730,949)	(1,978,227)
<b>Total non-current assets</b>		<b>45,306,483</b>	<b>40,775,589</b>	<b>39,018,132</b>	<b>37,671,205</b>
<b>Current assets</b>					
Inventories, net	15	800,281	923,341	624,762	748,267
Other receivables and assets, net	16	259,421	242,905	611,444	460,037
Accounts receivable	17	2,804,026	2,361,833	2,341,204	1,985,374
Due from a subsidiary	7(h)	—	—	3,437	—
Due from related parties	7(h)	5,862	—	5,862	—
Restricted cash		159,961	13,259	158,621	13,008
Temporary cash investments	18	144,996	1,141,502	69,660	1,136,356
Cash and cash equivalents	35(a)	4,128,648	3,002,601	3,291,923	2,703,918
<b>Total current assets</b>		<b>8,303,195</b>	<b>7,685,441</b>	<b>7,106,913</b>	<b>7,046,960</b>
<b>Total assets</b>		<b>53,609,678</b>	<b>48,461,030</b>	<b>46,125,045</b>	<b>44,718,165</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Shareholders' equity</b>					
4,250,000,000 PRC Domestic Shares, par value Rmb1.00 each, in form of legal person shares	19	4,250,000	4,250,000	4,250,000	4,250,000
250,000,000 A shares, par value Rmb1.00 each	19	250,000	250,000	250,000	250,000
1,527,671,200 (2002: 1,500,273,960) Overseas Listed Foreign Shares, par value Rmb 1.00 each	19	1,527,671	1,500,274	1,527,671	1,500,274
Additional paid-in capital	22	10,780,133	10,604,843	10,780,133	10,604,843
Dedicated capital	20	4,328,423	3,373,423	4,328,423	3,373,423
Equity component of convertible notes	22	255	44,647	255	44,647
Retained earnings		12,818,873	10,392,873	12,818,873	10,392,873
<b>Total shareholders' equity</b>		<b>33,955,355</b>	<b>30,416,060</b>	<b>33,955,355</b>	<b>30,416,060</b>
<b>Minority interests</b>	33	<b>1,155,197</b>	<b>910,704</b>	<b>—</b>	<b>—</b>

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	Note	The Company and its subsidiaries As at 31st December,		The Company As at 31st December,	
		2003	2002	2003	2002
<b>Non-current liabilities</b>					
Liability component of convertible notes	22	—	155,999	—	155,999
Long-term loans from shareholders	23	—	388,891	—	388,891
Long-term bank loans	24	8,305,320	8,464,521	5,317,804	6,463,815
Other long-term loans	25	848,284	331,389	575,000	225,000
Other financial liabilities	38	—	19,397	—	19,397
Deferred tax liabilities	29	103,114	121,853	14,028	15,030
<b>Total non-current liabilities</b>		<b>9,256,718</b>	<b>9,482,050</b>	<b>5,906,832</b>	<b>7,268,132</b>
<b>Current liabilities</b>					
Accounts payable and other liabilities	26	3,342,517	3,734,350	2,906,516	3,583,488
Taxes payable	27	917,362	620,189	601,337	395,661
Due to HIPDC	7(h)	87,508	100,475	87,508	100,475
Due to other related parties	7(h)	27,338	—	24,387	—
Staff welfare and bonus payable		220,896	233,566	212,875	231,726
Short-term loans	28	1,600,000	550,000	280,000	550,000
Current portion of long-term loans					
from shareholders	23	388,875	388,891	388,875	388,891
Current portion of long-term bank loans	24	2,409,240	1,928,732	1,756,074	1,783,732
Current portion of other long-term loans	25	243,386	96,013	—	—
Liability component of convertible notes	22	935	—	935	—
Other financial liabilities	38	4,351	—	4,351	—
<b>Total current liabilities</b>		<b>9,242,408</b>	<b>7,652,216</b>	<b>6,262,858</b>	<b>7,033,973</b>
<b>Total equity and liabilities</b>		<b>53,609,678</b>	<b>48,461,030</b>	<b>46,125,045</b>	<b>44,718,165</b>

These financial statements have been approved for issue by the Board of Directors on 16th March, 2004.

**Wang Xiaosong**  
Vice Chairman

**Ye Daji**  
Director

The accompanying notes are an integral part of these financial statements.