

AUDITORS' REPORT

To the Shareholders of

Beijing Capital International Airport Company Limited

(established in the People's Republic of China with limited liability)

We have audited the accompanying consolidated balance sheet of Beijing Capital International Airport Company Limited (the "Company") and its subsidiaries (collectively the "Group") as at 31 December 2003, the related consolidated income statement, consolidated cash flow statement and statement of changes in shareholders' equity for the year then ended and the balance sheet of the Company as at 31 December 2003. These financial statements set out on pages 43 to 98 are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit. This report is made solely to you, as a body, and for no other purposes. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements present fairly in all material respects the financial position of the Group and of the Company as at 31 December 2003, the results of operations and the cash flows of the Group for the year then ended in accordance with International Financial Reporting Standards, and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

PRICEWATERHOUSECOOPERS

Certified Public Accountants

Hong Kong, 31 March 2004