

B. Financial Statements Prepared under PRC Accounting Rules and Regulations

Consolidated Balance Sheet

As at 31 December 2003
(Prepared under PRC Accounting Rules and Regulations)

	Note	2003 RMB'000	2002 RMB'000
Assets			
Current assets			
Cash at bank and in hand	4	2,006,236	1,744,626
Bills receivable	5	1,333,093	543,670
Trade debtors	6	597,508	518,887
Other debtors	7	401,478	557,736
Advance payments	8	179,464	307,282
Inventories	9	3,475,872	3,273,471
Total current assets		7,993,651	6,945,672
Long-term investments			
Long-term equity investments	10	2,090,578	1,778,132
Fixed assets			
Fixed assets, at cost	11(a)	31,740,428	29,855,506
Less: Accumulated depreciation	11(a)	14,683,112	12,991,225
		17,057,316	16,864,281
Less: Provision for impairment loss on fixed assets	11(a)	24,600	-
Fixed assets net book value	11(a)	17,032,716	16,864,281
Construction materials	12	28,387	19,667
Construction in progress	13	374,780	890,051
Total fixed assets		17,435,883	17,773,999
Intangible assets			
	14	35,863	49,311
Deferred tax assets			
	15(c)	24,853	15,171
Total assets		27,580,828	26,562,285

The notes to the financial statements form part of these financial statements.

Consolidated Balance Sheet (continued)

As at 31 December 2003
(Prepared under PRC Accounting Rules and Regulations)

	Note	2003 RMB'000	2002 RMB'000
Liabilities and shareholders' equity			
Current liabilities			
Short-term loans	16	4,575,588	3,224,726
Bills payable	17	265,693	804,838
Trade creditors	17	1,355,833	1,176,851
Receipts in advance	17	362,840	208,168
Wages payable		51,032	54,724
Staff welfare payable		68,335	70,047
Taxes payable	15(b)	278,332	253,653
Other creditors		9,408	9,968
Other payables	17	491,945	472,737
Accrued expenses	18	21,508	12,275
Current portion of long-term loans	19	999,141	777,589
Total current liabilities		8,479,655	7,065,576
Long-term liabilities			
Long-term loans	19	3,206,848	4,590,891
Other long-term liabilities	20	46,069	57,587
Total long-term liabilities		3,252,917	4,648,478
Total liabilities		11,732,572	11,714,054
Minority interests			
		341,240	366,771
Shareholders' equity			
Share capital	21	7,200,000	7,200,000
Capital reserves	22	2,856,278	2,856,278
Surplus reserves	23	3,401,842	3,124,730
of which: Statutory public welfare fund		978,575	840,019
Undistributed profits (Including dividend declared after the balance sheet date of RMB576,000,000) (2002: approved final dividend of RMB 360,000,000)	2,29	2,048,896	1,300,452
Total shareholders' equity		15,507,016	14,481,460
Total liabilities and shareholders' equity		27,580,828	26,562,285

Approved by the Board of Directors on 26 March 2004.

Lu Yiping
Chairman

Rong Guangdao
Director and President

Han Zhihao
Chief Financial Officer

The notes to the financial statements form part of these financial statements.