

BALANCE SHEET

AT 31 DECEMBER 2003
(Amounts in thousands)

	Note	<u>2003</u> RMB	<u>2002</u> RMB
Non-current assets			
Property, plant and equipment	9	7,388,120	7,900,990
Deferred tax assets	10	334,167	330,450
Total non-current assets		<u>7,722,287</u>	<u>8,231,440</u>
Current assets			
Inventories	11	1,011,328	985,119
Trade receivables	12	207,686	285,594
Bills receivable	12	215,435	232,609
Prepayments and other current assets	13	157,128	262,410
Cash and cash equivalents		231,447	262,635
Total current assets		<u>1,823,024</u>	<u>2,028,367</u>
Current liabilities			
Trade payables	14	169,800	150,185
Bills payable	14	30,000	130,000
Accruals and other payables	15	529,762	587,573
Income tax payable		128,964	-
Bank loans	17	1,088,401	1,776,402
Loans from parent companies and fellow subsidiaries	18	100,000	380,000
Total current liabilities		<u>2,046,927</u>	<u>3,024,160</u>
Net current liabilities		<u>(223,903)</u>	<u>(995,793)</u>
Total assets less current liabilities		<u>7,498,384</u>	<u>7,235,647</u>
Non-current liabilities			
Bank loans	17	1,596,359	1,927,543
Deferred tax liabilities	10	246,193	286,157
Total non-current liabilities		<u>1,842,552</u>	<u>2,213,700</u>
Net assets		<u>5,655,832</u>	<u>5,021,947</u>
Shareholders' equity			
Share capital	19	3,374,000	3,374,000
Share premium		774,630	774,630
Reserves	20	82,567	12,908
Retained earnings	20(e)	1,424,635	860,409
		<u>5,655,832</u>	<u>5,021,947</u>

Approved and authorised for issue by the board of directors on 2 April 2004.

Du Guosheng
Chairman

Guo Hong
Chief Financial Officer

The notes on pages 45 to 70 form part of these financial statements.