

Consolidated Balance Sheet

(Prepared in accordance with International Financial Reporting Standards)

As at 31st December, 2004

(Amounts expressed in thousands of RMB)

	Note	The Company and its subsidiaries		The Company	
		As at 31st December, 2004	2003	As at 31st December, 2004	2003
ASSETS					
Non-current assets					
Property, plant and equipment, net	10	57,780,410	42,658,365	36,861,955	34,290,511
Investments in associates	11	4,328,307	2,766,031	4,309,319	2,766,031
Investments in subsidiaries	12	—	—	5,835,204	2,445,550
Available-for-sale investment	13	254,990	254,990	254,990	254,990
Land use rights	14	1,546,026	831,026	1,091,128	763,483
Other non-current assets		225,890	206,833	115,060	108,046
Deferred income tax assets	29	97,539	21,311	12,536	13,239
Goodwill	15	376,726	298,876	108,938	107,231
Less: Negative goodwill	15	(1,483,670)	(1,730,949)	(1,483,670)	(1,730,949)
Total non-current assets		63,126,218	45,306,483	47,105,460	39,018,132
Current assets					
Inventories, net	16	1,431,404	800,281	822,344	624,762
Other receivables and assets, net	17	723,316	259,421	327,865	611,444
Accounts receivable	18	4,973,103	2,804,026	3,090,071	2,341,204
Due from subsidiaries	7(g)	—	—	20,256	3,437
Due from other related parties	7(g)	14,970	5,862	14,970	5,862
Restricted cash		202,688	159,961	157,691	158,621
Temporary cash investments	19	12,641	144,996	12,641	69,660
Cash and cash equivalents	35(a)	2,295,531	4,128,648	1,211,178	3,291,923
Total current assets		9,653,653	8,303,195	5,657,016	7,106,913
Total assets		72,779,871	53,609,678	52,762,476	46,125,045

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	Note	The Company and its subsidiaries		The Company	
		As at 31st December, 2004	2003	As at 31st December, 2004	2003
EQUITY AND LIABILITIES					
Shareholders' equity					
8,500,000,000 (2003: 4,250,000,000)					
Domestic Shares, par value RMB1.00 each, in form of legal person shares	20	8,500,000	4,250,000	8,500,000	4,250,000
500,000,000 (2003: 250,000,000)					
A shares, par value RMB1.00 each	20	500,000	250,000	500,000	250,000
3,055,383,440 (2003: 1,527,671,200)					
Overseas Listed Foreign Shares, par value RMB1.00 each	20	3,055,383	1,527,671	3,055,383	1,527,671
Additional paid-in capital	20	8,972,184	10,780,133	8,972,184	10,780,133
Dedicated capital	20, 21	4,065,970	4,328,423	4,065,970	4,328,423
Equity component of convertible notes	20	—	255	—	255
Retained earnings					
Proposed dividend	22	3,013,846	3,013,836	3,013,846	3,013,836
Others		8,158,136	9,805,037	8,158,136	9,805,037
Total shareholders' equity		36,265,519	33,955,355	36,265,519	33,955,355
Minority interests	33	3,266,393	1,155,197	—	—
Non-current liabilities					
Long-term loans from shareholders, unsecured	23	800,000	—	—	—
Long-term bank loans, unsecured	24	14,854,471	8,305,320	6,485,209	5,317,804
Other long-term loans, unsecured	25	300,818	848,284	—	575,000
Deferred income tax liabilities	29	546,717	103,114	15,306	14,028
Other non-current liability		13,000	—	—	—
Total non-current liabilities		16,515,006	9,256,718	6,500,515	5,906,832

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		2004	2003	2004	2003
Current liabilities					
Accounts payable and other liabilities	26	4,551,158	3,342,517	2,844,987	2,906,516
Dividends payable to shareholders of the Company		8,250	—	8,250	—
Taxes payable	27	999,792	917,362	547,545	601,337
Due to HIPDC	7(g)	1,258,799	87,508	1,258,518	87,508
Due to other related parties	7(g)	13,426	27,338	6,645	24,387
Staff welfare and bonus payables		259,291	220,896	175,355	212,875
Short-term loans, unsecured	28	8,099,000	1,600,000	4,330,000	280,000
Current portion of long-term loans from shareholders, unsecured	23	—	420,380	—	388,875
Current portion of long-term bank loans, unsecured	24	1,257,476	2,409,240	825,142	1,756,074
Current portion of other long-term loans, unsecured	25	285,761	211,881	—	—
Liability component of convertible notes		—	935	—	935
Other financial liabilities	38	—	4,351	—	4,351
Total current liabilities		16,732,953	9,242,408	9,996,442	6,262,858
Total equity and liabilities		72,779,871	53,609,678	52,762,476	46,125,045

These financial statements have been approved for issue by the Board of Directors on 15th March, 2005.

Wang Xiaosong
Vice Chairman

Huang Yongda
Director

The notes on pages 101 to 150 are an integral part of these financial statements.