

B. Financial Statements Prepared under PRC Accounting Rules and Regulations

Consolidated Balance Sheet

As at 31 December 2004
(Prepared under PRC Accounting Rules and Regulations)

	Note	2004 RMB'000	2003 RMB'000
Assets			
Current assets			
Cash at bank and in hand	3	1,694,500	2,006,236
Bills receivable	4	1,708,792	1,333,093
Trade debtors	5	602,597	597,508
Other debtors	6	619,281	401,478
Advance payments	7	260,736	179,464
Inventories	8	3,727,749	3,475,872
Total current assets		8,613,655	7,993,651
Long-term investments			
Long-term equity investments	9	2,615,350	2,090,578
Fixed assets			
Fixed assets, at cost	10(a)	32,904,209	31,740,428
Less: Accumulated depreciation	10(a)	16,164,713	14,683,112
		16,739,496	17,057,316
Less: Provision for impairment loss on fixed assets	10(a)	58,945	24,600
Fixed assets net book value	10(a)	16,680,551	17,032,716
Construction materials	11	20,226	28,387
Construction in progress	12	763,450	374,780
Total fixed assets		17,464,227	17,435,883
Intangible assets			
	13	22,415	35,863
Deferred tax assets			
	14(c)	41,442	24,853
Total assets		28,757,089	27,580,828

The notes on pages 135 to 175 form part of these financial statements.

Consolidated Balance Sheet (continued)

As at 31 December 2004
(Prepared under PRC Accounting Rules and Regulations)

	Note	2004 RMB'000	2003 RMB'000
Liabilities and shareholders' equity			
Current liabilities			
Short-term loans	15	3,742,727	4,575,588
Bills payable	16	274,000	265,693
Trade creditors	16	911,940	1,355,833
Receipts in advance	16	321,869	362,840
Wages payable		63,522	51,032
Staff welfare payable		77,798	68,335
Taxes payable	14(b)	260,111	278,332
Other creditors		17,554	9,408
Other payables	16	484,061	491,945
Accrued expenses	18	21,399	21,508
Current portion of long-term loans	19	1,257,578	999,141
Total current liabilities		7,432,559	8,479,655
Long-term liabilities			
Long-term loans	19	2,014,614	3,206,848
Other long-term liabilities	20	34,551	46,069
Total long-term liabilities		2,049,165	3,252,917
Total liabilities		9,481,724	11,732,572
Minority interests			
		373,084	341,240
Shareholders' equity			
Share capital	21	7,200,000	7,200,000
Capital reserves	22	2,856,278	2,856,278
Surplus reserves	23	4,196,096	3,401,842
of which: Statutory public welfare fund		1,375,702	978,575
Undistributed profits (Including dividend declared after the balance sheet date of RMB1,440,000,000) (2003: approved final dividend of RMB 576,000,000)	29	4,649,907	2,048,896
Total shareholders' equity		18,902,281	15,507,016
Total liabilities and shareholders' equity		28,757,089	27,580,828

Approved by the Board of Directors on 23 March 2005.

Lu Yiping
Chairman

Rong Guangdao
Vice chairman and President

Han Zhihao
Director and Chief Financial Officer

The notes on pages 135 to 175 form part of these financial statements.