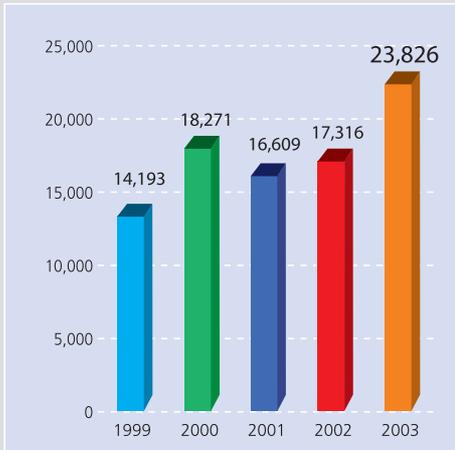
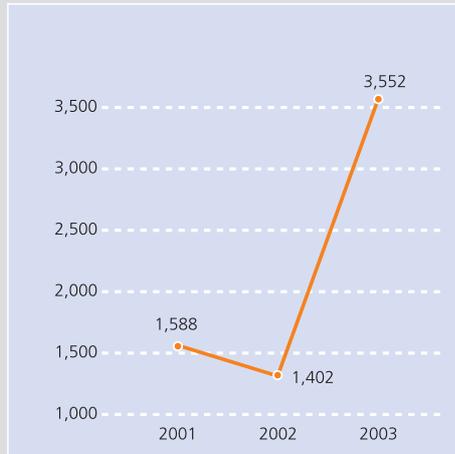


Total Revenue
RMB million



Net Profit
RMB million



Chalco's Share Performance



CONTENTS

- 2** Financial Summary
- 3** Corporate Information
- 4** Corporate Profile
- 5** Directors, Supervisors and Senior Management Profile
- 8** Chairman's Statement
- 13** Corporate Governance
- 15** Management's Discussion and Analysis of Financial Condition and Results of Operations
- 22** Report of the Directors
- 35** Report of the Supervisory Committee
- 38** International Auditors' Report
- 39** Consolidated Profit and Loss Account
- 40** Consolidated Balance Sheet
- 42** Balance Sheet
- 44** Consolidated Statement of Changes in Equity
- 46** Consolidated Cash Flow Statement
- 49** Notes to the Financial Statements
- 101** Supplementary Information
- 107** Notice of Annual General Meeting

**Integrity as our core value
and shareholders' return as
our key objective**



Financial Summary

As at December 31, 2003

Profit and Loss account	Year ended December 31,				
	Consolidated		Pro forma combined		
	2003 RMB'000	2002 RMB'000	2001 RMB'000	2000 RMB'000	1999 RMB'000
Turnover	23,245,858	16,792,766	15,987,913	17,664,069	13,650,657
Cost of goods sold	16,439,534	13,349,514	11,646,250	11,040,061	10,017,825
Gross profit	6,806,324	3,443,252	4,341,663	6,624,008	3,632,832
Other revenues	580,171	522,875	621,570	606,869	542,549
Expenses related to other revenues	512,220	459,777	587,722	446,828	335,311
Other revenues, net	67,951	63,098	33,848	160,041	207,238
Selling and distribution expenses	549,432	501,829	335,227	259,101	263,250
General and administrative expenses	1,047,461	733,803	1,074,411	1,245,083	1,158,858
Research and development expenses	173,359	131,941	144,048	309,477	111,368
Other expenses (income), net	25,543	16,089	(136,320)	16,024	(359,556)
Operating profit	5,078,480	2,122,688	2,958,145	4,954,364	2,666,150
Finance costs	451,411	490,614	549,410	708,233	1,304,734
Operating profit after finance costs	4,627,069	1,632,074	2,408,735	4,246,131	1,361,416
Share of profit (loss) of jointly controlled entities	1,193	(254)	(125)	1,007	1,723
Profit before income taxes	4,628,262	1,631,820	2,408,610	4,247,138	1,363,139
Income taxes	918,862	183,393	756,820	1,589,475	486,584
Profit after income taxes	3,709,400	1,448,427	1,651,790	2,657,663	876,555
Minority interests	157,370	46,822	63,713	134,666	29,260
Profit for the year	3,552,030	1,401,605	1,588,077	2,522,997	847,295
Profit distribution to owner	N/A	N/A	4,722	106,352	111,857
Dividend	1,060,788	472,496	178,498	N/A	N/A

Summary of the Group's assets and liabilities for the five years is set out below:

	Consolidated			Pro forma combined	
	as of December 31, 2003 RMB'000	as of December 31, 2002 RMB'000	as of December 31, 2001 RMB'000	as of December 31, 2000 RMB'000	as of December 31, 1999 RMB'000
	Total assets	35,078,295	31,919,964	33,397,511	23,308,217
Total liabilities	16,335,954	16,396,017	19,301,426	18,282,118	24,672,183
Total net assets (liabilities)	18,742,341	15,523,947	14,096,085	5,026,099	(2,147,088)