

**CONSOLIDATED BALANCE SHEET**

As at 31 December, 2003

(Prepared under International Financial Reporting Standards)

(Expressed in Renminbi)

	Note	2003 RMB'000	2002 RMB'000
Non-current assets			
Fixed assets	10	28,535,907	26,920,829
Construction in progress	11	1,629,689	661,352
Lease prepayments		348,652	201,854
Interest in associated companies	13	422,201	692,026
Interest in jointly controlled companies	14	731,323	461,962
Other investments		204,971	201,854
Lease and equipment deposits		2,932,591	2,147,038
Deferred expenditure	15	248,853	283,303
Long-term receivables		6,380	12,034
		35,060,567	31,582,252
Current assets			
Inventories	17	543,777	545,700
Trade receivables	18	833,604	671,776
Other receivables		296,047	372,586
Prepaid expenses and other assets		247,926	244,690
Cash and cash equivalents	20	2,080,174	3,771,043
		4,001,528	5,605,795
Current liabilities			
Bank and other loans	21	7,096,846	5,240,726
Obligations under finance leases	22	1,297,855	1,566,698
Amounts due to related companies	19	929,003	525,090
Other liabilities		1,019,811	646,989
Accounts payable	23	928,093	532,480
Bills payable		438,135	1,299,680
Sales in advance of carriage		466,087	390,531
Accrued expenses		2,527,794	2,341,454
Taxes payable		89,954	78,145
		14,793,578	12,621,793
Net current liabilities		(10,792,050)	(7,015,998)
Total assets less current liabilities		24,268,517	24,566,254

The notes on pages 47 to 98 form part of these financial statements.



CONSOLIDATED BALANCE SHEET (Cont'd)

As at 31 December, 2003

(Prepared under International Financial Reporting Standards)

(Expressed in Renminbi)

	Note	2003 RMB'000	2002 RMB'000
Long term liabilities and deferred items			
Bank and other loans	21	4,521,735	5,835,434
Obligations under finance leases	22	5,543,084	6,631,751
Provision for major overhauls	24	189,464	141,887
Deferred credits		46,554	48,095
Deferred taxation	16	398,305	779,234
		10,699,142	13,436,401
		13,569,375	11,129,853
Representing:			
Share capital	25	4,374,178	3,374,178
Reserves	26	7,521,529	6,239,029
Shareholders' equity		11,895,707	9,613,207
Minority interests		1,673,668	1,516,646
		13,569,375	11,129,853

Approved and authorised for issue by the board of directors on 23 April, 2004

YAN ZHI QING
Director

WANG CHANG SHUN
Director

XU JIE BO
Director