



## CONSOLIDATED BALANCE SHEET

As at 31 December, 2003

(Prepared under PRC Accounting Rules and Regulations)

	Note	2003 RMB'000	2002 RMB'000
<b>Assets</b>			
Current assets			
Cash and cash equivalents	6	2,321,483	4,145,300
Trade receivables	7	891,827	742,962
Other receivables	8	316,665	404,279
Advance payments	9	84,832	14,237
Inventories	10	631,669	653,011
Prepaid expenses	11	203,370	165,754
<b>Total current assets</b>		<b>4,449,846</b>	6,125,543
<b>Long-term equity investments</b>	12	<b>622,372</b>	576,850
Fixed assets:			
Cost		40,898,104	37,080,309
Less: accumulated depreciation		11,502,684	9,514,246
Net book value of fixed assets	13	29,395,420	27,566,063
Construction materials	14	1,730	1,485
Construction in progress	15	1,937,390	1,006,964
<b>Total fixed assets</b>		<b>31,334,540</b>	28,574,512
<b>Other assets:</b>			
Lease and equipment deposits	16	2,932,591	2,147,038
Deferred expenditure	17	26,473	34,136
Long-term receivables	18	6,382	12,034
<b>Total other assets</b>		<b>2,965,446</b>	2,193,208
<b>Total assets</b>		<b>39,372,204</b>	37,470,113

The notes on pages 116 to 182 form part of these financial statements.

**CONSOLIDATED BALANCE SHEET (Cont'd)**

As at 31 December, 2003

(Prepared under PRC Accounting Rules and Regulations)

	Note	2003 RMB'000	2002 RMB'000
<b>Liabilities and shareholders' equity</b>			
<b>Current liabilities:</b>			
Short-term loans	19	6,429,306	4,443,426
Bills payable	20	447,778	1,299,680
Trade accounts payable	21	1,667,383	900,926
Sales in advance of carriage	22	466,087	390,531
Wages payable		74,956	73,702
Staff welfare payable		131,284	179,984
Taxes payable	4	102,134	122,657
CAAC infrastructure development fund payable	23	353,592	280,706
Other creditors	24	5,756	2,897
Other payables	25	892,299	692,246
Accrued expenses	26	2,386,987	2,286,136
Long-term liabilities due within one year	27	1,985,895	2,384,498
<b>Total current liabilities</b>		<b>14,943,457</b>	<b>13,057,389</b>
<b>Long-term liabilities:</b>			
Long-term borrowings	28	4,779,678	5,911,590
Obligations under finance leases	29	5,543,084	6,631,751
Provision for major overhauls	30	189,464	141,887
Deferred credits	31	217,162	249,411
<b>Total long-term liabilities</b>		<b>10,729,388</b>	<b>12,934,639</b>
<b>Deferred taxation:</b>			
Deferred tax liabilities	32	391,638	1,043,303
<b>Total liabilities</b>		<b>26,064,483</b>	<b>27,035,331</b>
<b>Minority interests</b>		<b>1,757,872</b>	<b>1,540,188</b>

The notes on pages 116 to 182 form part of these financial statements.



## CONSOLIDATED BALANCE SHEET (Cont'd)

As at 31 December, 2003

(Prepared under PRC Accounting Rules and Regulations)

	Note	2003 RMB'000	2002 RMB'000
<b>Shareholders' equity</b>			
Share capital	33	4,374,178	3,374,178
Capital reserves	34	5,801,345	4,160,578
Surplus reserves	35	610,341	585,372
Including: Statutory public welfare fund		172,687	171,574
Retained profits		763,985	774,466
<b>Total shareholders' equity</b>		<b>11,549,849</b>	8,894,594
<b>Total liabilities and shareholders' equity</b>		<b>39,372,204</b>	37,470,113

These financial statements have been approved by the Board of Directors on 23 April, 2004

**Yan Zhi Qing**  
Chairman of  
Board of Directors

**Wang Chang Shun**  
Vice Chairman of  
Board of Directors and  
President

**Xu Jie Bo**  
Director and  
Chief Financial Officer

**Xiao Li Xin**  
General Manager of  
Finance Department