



Balance Sheet

As at 31 December, 2004

(Prepared under International Financial Reporting Standards)

(Expressed in Renminbi)

	Note	2004 RMB million	2003 RMB million
Non-current assets			
Property, plant and equipment	10	39,254	22,610
Construction in progress	11	232	1,532
Lease prepayments		128	116
Interest in subsidiaries	12	2,149	1,446
Interest in associates	13	296	287
Interest in jointly controlled entities	14	636	564
Other investments	15	167	107
Lease and equipment deposits		4,674	2,229
Deferred expenditure	16	305	241
Deferred tax assets	17	51	–
		47,892	29,132
Current assets			
Short-term investments	15	502	–
Inventories	18	999	213
Trade receivables	19	1,035	683
Other receivables		391	222
Prepaid expenses and other assets		289	183
Cash and cash equivalents	20	2,302	1,405
		5,518	2,706
Current liabilities			
Bank and other loans	21	10,161	5,959
Obligations under finance leases	22	2,144	1,298
Amounts due to related companies	23	2,278	871
Trade payables	24	1,320	746
Bills payable		136	438
Sales in advance of carriage		806	406
Accrued expenses		3,733	1,628
Other liabilities		2,467	854
Taxes payable		–	48
		23,045	12,248
Net current liabilities		(17,527)	(9,542)
Total assets less current liabilities		30,365	19,590

The notes on pages 51 to 99 form part of these financial statements.

Balance Sheet (Cont'd)

As at 31 December, 2004

(Prepared under International Financial Reporting Standards)

(Expressed in Renminbi)

	Note	2004 RMB million	2003 RMB million
Non-current liabilities and deferred items			
Bank and other loans	21	10,540	3,670
Obligations under finance leases	22	9,599	5,543
Provision for major overhauls	25	186	131
Deferred credits		60	7
Deferred tax liabilities	17	–	90
		20,385	9,441
		9,980	10,149
Representing:			
Share capital	26	4,374	4,374
Reserves	27	5,606	5,775
Shareholders' equity		9,980	10,149

Approved and authorised for issue by the board of directors on 25 April, 2005

Liu Shao Yong
Director

Si Xian Min
Director

Xu Jie Bo
Director