



Liquidity, financial resources and capital structure

As at 30 June, 2001, the Group's borrowings totaled RMB14,703 million, representing a decrease of RMB1,061 million from RMB15,764 million as at 31 December, 2000. Such borrowings were denominated, to a larger extent, in United States dollars and, to a smaller extent, in Japanese yen, with almost all being fixed interest rate borrowings. As at 30 June, 2001, cash and cash equivalents of the Group totaling RMB3,162 million (as at 31 December, 2000: RMB4,197 million), of which 16.9% were denominated in foreign currencies (mainly in United States dollars). Net debts (total borrowings net of cash and cash equivalents) amounted to RMB11,541 million (as at 31 December, 2000: RMB11,567 million).

As at 30 June, 2001, the Group's shareholders' equity amounted to RMB9,083 million, an increase of RMB201 million from RMB8,882 million as at 31 December, 2000, which represented the net profit attributable to shareholders for the period.

Net debt/equity ratio of the Group as at 30 June, 2001 was 1.27 times, as compared to 1.30 times as at 31 December, 2000.