

BALANCE SHEET

AT 31 DECEMBER 2004
(Amounts in thousands)

	Note	<u>2004</u>	<u>2003</u>
		RMB	RMB
Non-current assets			
Property, plant and equipment	9	6,680,972	7,388,120
Deferred tax assets	10	351,337	334,167
Total non-current assets		<u>7,032,309</u>	<u>7,722,287</u>
Current assets			
Inventories	11	1,204,632	1,011,328
Trade receivables	12	136,685	207,686
Bills receivable	12	728,246	215,435
Prepayments and other current assets	13	187,015	157,128
Cash and cash equivalents		851,679	231,447
Total current assets		<u>3,108,257</u>	<u>1,823,024</u>
Current liabilities			
Trade payables	14	15,683	169,800
Bills payable	14	-	30,000
Accruals and other payables	15	554,579	529,762
Income tax payable		170,275	128,964
Bank loans	17	109,203	1,088,401
Loans from parent companies and fellow subsidiaries	18	-	100,000
Total current liabilities		<u>849,740</u>	<u>2,046,927</u>
Net current assets/(liabilities)		<u>2,258,517</u>	<u>(223,903)</u>
Total assets less current liabilities		<u>9,290,826</u>	<u>7,498,384</u>
Non-current liabilities			
Bank loans	17	704,153	1,596,359
Deferred tax liabilities	10	203,682	246,193
Total non-current liabilities		<u>907,835</u>	<u>1,842,552</u>
Net assets		<u>8,382,991</u>	<u>5,655,832</u>
Shareholders' equity			
Share capital	19	3,374,000	3,374,000
Share premium		774,630	774,630
Reserves	20	586,927	82,567
Retained earnings	20(e)	3,647,434	1,424,635
		<u>8,382,991</u>	<u>5,655,832</u>

Approved and authorised for issue by the board of directors on 28 April 2005.

Wang Yongjian
Chairman

Guo Hong
Chief Financial Officer

The notes on pages 42 to 67 form part of these financial statements.