

Consolidated Statement of Comprehensive Income

Year ended 31 December 2009

	Notes	2009 RMB'000	2008 RMB'000
CONTINUING OPERATIONS			
REVENUE	4, 5	2,796,991	2,152,731
Cost of sales		(1,347,704)	(1,072,814)
Gross profit		1,449,287	1,079,917
Other revenue and gains	5	99,181	58,185
Selling and distribution costs		(38,291)	(19,982)
Administrative expenses		(381,603)	(295,952)
Other operating expenses		(62,136)	(97,241)
Finance costs		(23,137)	(17,260)
Share of profit and loss of an associate		1,331	2,672
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	6	1,044,632	710,339
Income tax expense	8	(264,035)	(170,734)
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS		780,597	539,605
DISCONTINUED OPERATION			
Loss for the year from a discontinued operation	9	(29,264)	(1,483)
PROFIT FOR THE YEAR		751,333	538,122
OTHER COMPREHENSIVE INCOME			
Exchange differences on translation of a foreign operation		(12)	(2,228)
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		(12)	(2,228)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		751,321	535,894

Consolidated Statement of Comprehensive Income

Year ended 31 December 2009

	Notes	2009 RMB'000	2008 RMB'000
Profit attributable to:			
Owners of the Company		754,020	533,905
Minority interests		(2,687)	4,217
		751,333	538,122
Total comprehensive income attributable to:			
Owners of the Company		754,008	531,677
Minority interests		(2,687)	4,217
		751,321	535,894
Earnings per share (RMB) attributable to owners of the Company	12		
Basic and diluted			
– For profit for the year		0.52	0.37
– For profit from continuing operations		0.54	0.37

Details of the dividend payable and proposed for the year are disclosed in note 11 to the financial statement.

The accompanying notes on pages 104 to 202 form an integral part of the financial statements.

Consolidated Statement of Financial Position

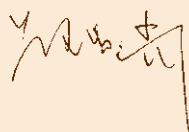
31 December 2009

	Notes	2009 RMB'000	2008 RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment	13	2,763,461	2,147,927
Intangible assets	14	2,364,514	1,846,860
Interest in an associate	15	37,980	36,649
Long-term deposits	18	6,882	5,866
Land lease prepayments	19	131,483	76,340
Other long-term assets	20	164,646	211,656
Deferred tax assets	21	94,924	79,257
Total non-current assets		5,563,890	4,404,555
CURRENT ASSETS			
Cash and cash equivalents	22	2,209,396	688,764
Trade and notes receivables	23	10,797	35,362
Prepayments and other receivables	24	197,556	218,233
Inventories	25	475,111	422,228
Equity investments at fair value through profit or loss	26	–	21,843
Held-to-maturity investments	27	–	140,000
Pledged deposit	28	59,396	–
		2,952,256	1,526,430
Assets of a disposal group classified as held for sale	9,10	65,486	–
Total current assets		3,017,742	1,526,430
CURRENT LIABILITIES			
Interest-bearing bank and other borrowings	29	611,056	471,190
Trade payables	30	373,295	205,555
Other payables and accruals	31	460,224	327,182
Provisions	32	12,966	12,445
Tax payable		66,505	93,824
		1,524,046	1,110,196
Liabilities directly associated with the assets classified as held for sale	9, 10	26,986	–
Total current liabilities		1,551,032	1,110,196
NET CURRENT ASSETS		1,466,710	416,234
TOTAL ASSETS LESS CURRENT LIABILITIES		7,030,600	4,820,789

Consolidated Statement of Financial Position

31 December 2009

	Notes	2009 RMB'000	2008 RMB'000
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings	29	57,790	7,790
Provisions	32	62,361	56,219
Deferred income	33	39,969	49,280
Corporate bond	34	1,488,036	–
Deferred tax liabilities	21	375,027	298,831
Other long term liability	35	40,000	–
Total non-current liabilities		2,063,183	412,120
NET ASSETS			
		4,967,417	4,408,669
EQUITY			
Equity attributable to owners of the Company			
Issued share capital	36	1,457,430	1,457,430
Reserves	37	2,789,391	2,356,018
Proposed final dividend	11	320,635	241,933
Minority interests		4,567,456	4,055,381
		399,961	353,288
TOTAL EQUITY		4,967,417	4,408,669



Lu Dongshang
(Director)



Wang Peifu
(Director)

The accompanying notes on pages 104 to 202 form an integral part of the financial statements.

Consolidated Statement of Changes in Equity

Year ended 31 December 2009

	Attribute to owners of the Company								
	Issued share capital	Capital reserve	Statutory and distributable reserves	Exchange fluctuation reserve	Retained profits	Proposed final dividend	Total	Minority interests	Total equity
At 1 January 2008	728,715	2,091,022	96,355	(3,168)	588,382	182,179	3,683,485	69,729	3,753,214
Total comprehensive income/(loss) for the year	-	-	-	(2,228)	533,905	-	531,677	4,217	535,894
Bonus issue	728,715	(546,536)	-	-	(182,179)	-	-	-	-
Acquisition of minority interests	-	22,398	-	-	-	-	22,398	(37,398)	(15,000)
Acquisition of subsidiaries	-	-	-	-	-	-	-	312,940	312,940
Contribution of capital from minority shareholders upon establishment of subsidiaries	-	-	-	-	-	-	-	3,800	3,800
Transfer to reserves	-	-	52,423	-	(52,423)	-	-	-	-
Dividends									
- 2008 final proposed	-	-	-	-	(241,933)	241,933	-	-	-
- 2007 final paid	-	-	-	-	-	(182,179)	(182,179)	-	(182,179)
At 31 December 2008 and 1 January 2009	1,457,430	1,566,884*	148,778*	(5,396)*	645,752*	241,933	4,055,381	353,288	4,408,669
Total comprehensive income/(loss) for the year	-	-	-	(12)	754,020	-	754,008	(2,687)	751,321
Acquisition of subsidiaries	-	-	-	-	-	-	-	58,194	58,194
Transfer to reserves	-	-	77,735	-	(77,735)	-	-	-	-
Dividend paid to Minority shareholders	-	-	-	-	-	-	-	(8,834)	(8,834)
Dividend									
- 2009 final proposed	-	-	-	-	(320,635)	320,635	-	-	-
- 2008 final paid	-	-	-	-	-	(241,933)	(241,933)	-	(241,933)
At 31 December 2009	1,457,430	1,566,884*	226,513*	(5,408)*	1,001,402*	320,635	4,567,456	399,961	4,967,417

* These reserve accounts comprise the consolidated reserves of RMB2,789,391,000 (2008: RMB2,356,018,000) in the consolidated statement of financial position.

The accompanying notes on pages 104 to 202 form an integral part of the financial statements.

Consolidated Statement of Cash Flows

Year ended 31 December 2009

	Notes	2009 RMB'000	2008 RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax:			
From continuing operations		1,044,632	710,339
From discontinued operation	9	(29,640)	(2,200)
Adjustments for:			
Depreciation of property, plant and equipment	13	172,951	157,839
Amortisation of mining rights	14	57,668	87,892
Amortisation of land lease prepayments	19	3,247	2,368
Net loss on disposal of property, plant and equipment	5, 6	14,394	296
Exploration assets written off	14	16,821	29,107
Impairment/(reversal of impairment) of other receivables	6	2,326	(389)
Impairment of held for sale asset	9, 10	31,342	–
Deferred income recognised	33	(24,590)	(6,757)
Interest expenses	6	21,232	17,309
Interest accrual for a corporate bond	6	1,885	–
Foreign exchange loss	6	698	6,577
Interest income	5	(12,097)	(18,608)
Excess over the cost of a business combination	41	(2,979)	–
Gains on held-to-maturity investments	5	(341)	(673)
Loss on disposal of a subsidiary	6	–	15,553
Share of profit and loss of an associate		(3,563)	(2,672)
Fair value (gains)/losses, net:			
Gains on disposal of equity investments at fair value through profit or loss	5, 6	(25,774)	11,796
Derivative instruments – transactions not qualifying as hedges	6	–	38,686
		1,268,212	1,046,463
Decrease/(Increase) in trade and notes receivables		24,565	(2,135)
Decrease/(Increase) in prepayments and other receivables other than amounts due from a related party		13,392	(133,290)
Increase in inventories		(49,183)	(88,788)
Decrease in amounts due from a related party		2,770	6,807
Increase/(Decrease) in trade payables		156,691	(26,284)
Decrease in other payables and accruals other than amounts due to a related party		(242,135)	(18,986)
Increase in amounts due to a related party		107,041	–
Increase in provisions		3,178	7,827
		1,284,531	791,614
CASH GENERATED FROM OPERATIONS		1,284,531	791,614
Income taxes paid		(332,391)	(273,228)
		952,140	518,386
NET CASH FLOW FROM OPERATING ACTIVITIES		952,140	518,386

Consolidated Statement of Cash Flows

Year ended 31 December 2009

	Notes	2009 RMB'000	2008 RMB'000
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(310,191)	(686,883)
Purchase of intangible assets		(184,523)	(290,941)
Increase in land lease prepayments	19	(44,924)	(10,577)
Proceeds from disposal of property, plant and equipment		421	17,842
Acquisition of subsidiaries	41, 42	(423,669)	(189,738)
Disposal of a subsidiary	43	–	20,350
Contribution of capital from minority shareholders upon establishment of subsidiaries		–	90
Receipt of government grants	33	16,779	24,070
Proceeds from redemption/(purchase) of held-to-maturity investments	27	140,000	(140,000)
Gains on held-to-maturity investment	5	341	673
Interest received		12,097	65,974
Dividends received from an associate		2,232	–
Deposits paid for the purchase of subsidiaries	20	(19,680)	(125,000)
Redemption of/(investment in) equity investments at fair value through profit or loss		47,617	(2,679)
Decrease in a pledged time deposit	28	(59,396)	–
		(822,896)	(1,316,819)
CASH FLOWS FROM FINANCING ACTIVITIES			
New bank loans		1,245,596	1,016,300
Repayment of bank borrowings		(1,075,980)	(926,640)
Proceeds from issue of a bond		1,488,000	–
Dividends paid		(241,933)	(198,874)
Interest paid		(18,882)	(20,476)
		1,396,801	(129,690)
NET CASH FLOW FROM/(USED IN) FINANCING ACTIVITIES			
		1,526,045	(928,123)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at beginning of year		688,764	1,625,689
Effect of foreign exchange rate changes, net		(698)	(8,802)
		2,214,111	688,764
CASH AND CASH EQUIVALENTS AT END OF YEAR			

Consolidated Statement of Cash Flows

Year ended 31 December 2009

	Notes	2009 RMB'000	2008 RMB'000
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS:			
Cash and bank balances	22	1,518,386	622,033
Non-pledged time deposits with original maturity from one day to three months when acquired but can be withdrawn at the discretion of the Group with seven days' notice	22	691,010	66,731
Cash and short-term deposits attributable to a discontinued operation		4,715	–
		2,214,111	688,764

The accompanying notes on pages 104 to 202 form an integral part of the financial statements.

Statement of Financial Position

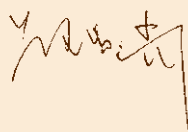
31 December 2009

	Notes	2009 RMB'000	2008 RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment	13	1,166,167	1,205,497
Intangible assets	14	545,637	527,551
Interest in an associate	15	34,650	34,650
Interests in subsidiaries	16	2,172,900	1,340,179
Long-term loans receivable	17	783,985	382,733
Long-term deposits	18	6,880	5,866
Land lease prepayments	19	57,781	47,475
Deferred tax assets	21	3,399	5,058
Other long-term assets	20	152,187	201,532
Total non-current assets		4,923,586	3,750,541
CURRENT ASSETS			
Cash and cash equivalents	22	1,914,623	611,437
Trade and notes receivables	23	3,144	10,611
Prepayments and other receivables	24	208,236	204,105
Inventories	25	318,110	215,303
Short-term loans receivable	17	61,670	276,500
Equity investments at fair value through profit or loss	26	–	522
Held-to-maturity investments	27	–	140,000
Pledged deposit	28	59,396	–
Total current assets		2,565,179	1,458,478
CURRENT LIABILITIES			
Interest-bearing bank and other borrowings	29	566,996	451,400
Trade payables	30	301,164	169,305
Other payables and accruals	31	179,771	137,910
Provisions	32	11,514	11,112
Tax payable		50,787	89,976
Total current liabilities		1,110,232	859,703
NET CURRENT ASSETS		1,454,947	598,775
TOTAL ASSETS LESS CURRENT LIABILITIES		6,378,533	4,349,316

Statement of Financial Position

31 December 2009

	Notes	2009 RMB'000	2008 RMB'000
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings	29	7,790	7,790
Provisions	32	48,983	48,769
Deferred income	33	26,169	34,352
Corporate bond	34	1,488,036	–
Total non-current liabilities		1,570,978	90,911
NET ASSETS			
EQUITY			
Issued share capital	36	1,457,430	1,457,430
Reserves	37	3,029,490	2,559,042
Proposed final dividend	11	320,635	241,933
TOTAL EQUITY		4,807,555	4,258,405



Lu Dongshang
(Director)



Wang Peifu
(Director)

The accompanying notes on pages 104 to 202 form an integral part of the financial statements.