Report of the Supervisory Committee

Dear Shareholders,

On behalf of the fourth session of the Supervisory Committee of Aluminum Corporation of China Limited, I would like to submit to the Annual General Meeting a report on the work of the Supervisory Committee in the past year.

During the year, the Supervisory Committee attended general meetings and Board meetings held by the Company pursuant to duties given by the Company Law and the Articles of Association, focusing on ways to adapt to the Company's changing development, enhance its operating transparency and standardization, build up the Company's corporate credible image in the capital market, in particular to effectively protect interests of investors, especially interests of small and medium-sized investors, to hear the reports relating to the Company's production, operation, investment and finance etc. as well as to supervise the material decision making process of the Company.

1. Members of the Supervisory Committee

The term of office of all Supervisors of the third session of the Supervisory Committee of the Company expired at the conclusion of the Company's 2009 annual general meeting. As recommended by Chinalco, the controlling shareholder of the Company, Mr. Ao Hong and Mr. Zhang Zhankui were appointed as the candidates for Supervisors of the fourth session of the Supervisory Committee of the Company and were nominated at the 19th meeting of the third session of the Board of the Company held on March 26, 2010. The appointments of Mr. Ao Hong and Mr. Zhang Zhankui as the Supervisors representing the shareholders for the fourth session of the Supervisory Committee of the Company were considered and approved at the Company's 2009 annual general meeting which were held on June 22, 2010. Their tenures will expire at the conclusion of the 2012 annual general meeting. As recommended by the Company and democratically elected by the employees of the Company, Mr. Yuan Li has been appointed as the employee-representative Supervisor for the fourth session of the Supervisory Committee of the Company, with a term of office expiring at the conclusion of the 2012 annual general meeting. The fourth session of the Supervisory Committee of the Company was thereby formed.

At the first meeting of the fourth session of the Supervisory Committee of the Company on June 22, 2010, it was unanimously resolved and approved that Mr. Ao Hong was to take up the position of Chairman of the fourth session of the Supervisory Committee of the Company.

Report of the Supervisory Committee

(Continued)

2. Supervisory Committee Meetings

During the year, five Supervisory Committee meetings were held by the Supervisory Committee of the Company, which mainly involved the following:

The thirteenth meeting of the third session of the Supervisory Committee was held on March 26, 2010 with two Supervisors attending the meeting and one Supervisor attending by proxy (3 persons with valid votes), which was in accordance with the requirements of the Company Law and the Articles of Association. The meeting considered and approved the annual report of 2009, the 2009 Work Report of the Supervisory Committee, the Anti-fraud Work Report of the Company for 2009 and 2009 Self-assessment Report on Internal Control.

The fourteenth meeting of the third session of the Supervisory Committee was held by means of written resolution on April 20, 2010, which was in accordance with the requirements of the Company Law and the Articles of Association. The Supervisory Committee considered and approved the 2010 First Quarterly Financial Report of the Company.

The first meeting of the fourth session of the Supervisory Committee was held on June 22, 2010, with three Supervisors attending the meeting with 3 valid votes, which was in accordance with the requirements of the Company Law and the Articles of Association. The Chairman of the Supervisory Committee was elected at the meeting.

The second meeting of the fourth session of the Supervisory Committee was held on August 23, 2010. Three Supervisors attended the meeting with 3 valid votes, which was in accordance with the requirements of the Company Law and the Articles of Association. The meeting considered and approved the 2010 Interim Financial Report of the Company and the Anti-fraud Work Report of the Company for the First Half of 2010.

The third meeting of the fourth session of the Supervisory Committee was held by way of written resolution on October 25, 2010, which was in accordance with the requirements of the Company Law and the Articles of Association. The Supervisory Committee considered and approved the 2010 Third Quarterly Financial Report of the Company.

3. Major Duties of the Supervisory Committee and its Independent Opinion

During the year, the Supervisory Committee of the Company performed its duties in a diligent manner in accordance with the terms of reference prescribed by the Company Law and the Articles of Association.

(I) Inspection of Implementation of Resolutions of the General Meetings

Members of the Supervisory Committee attended the general meetings and Board meetings as observers. No objection had been made to the reports and proposals submitted by the Board to the general meetings for consideration. The Supervisory Committee exercised supervision and inspection on implementation of the general meetings' resolutions by the Board, the Directors and the senior management. The Supervisory Committee is of the opinion that the Directors and management of the Company have diligently discharged their responsibilities in accordance with the resolutions approved by the general meetings. None of the Directors and management of the Company was found to have violated any laws or regulations or Articles of Association nor taken any act which jeopardized the interests of the Company and shareholders in discharging their duties up to present.

(II) Inspection of Legal Compliance of the Company's Operations

The Supervisory Committee exercised supervision in routine work over the legal compliance and legality of the Company's operation and management. It has also exercised supervision over the work performance of the Company's Directors and senior management. The Supervisory Committee is of the opinion that the legal compliance of the Company's operation, together with its business and decision-making procedures, have complied with the relevant provisions of the Company Law and the Articles of Association; the Directors and senior management of the Company have discharged their duties according to the principle of diligence and good faith; and no violations of any laws, regulations or the Articles of Association and damages to the interests of the Company have been found during the discharging of duties by the abovementioned staffs during the year.

Report of the Supervisory Committee
(Continued)

(III) Inspection of the Company's Financial Position

During the year, the Supervisory Committee verified cautiously the financial statements of each period, and supervised and inspected the Company's implementation of relevant financial policies and legislation as well as details on the Company's assets, financial income and expenditure and connected transactions. It is of the opinion that the operating results achieved by the Company were true and all the connected transactions were entered into on a fair basis. The financial reports of the Company truly reflected the financial status and operating results of the Company. The preparation and review procedures for the reports were in compliance with the requirements of laws and regulations, the Articles of Association and the Company's internal control system. Information on the significant events of the Company over the past year has been disclosed pursuant to relevant regulations. The preparation and disclosure of information of the Company were strictly in accordance with the principles of truthfulness, timeliness, accuracy, completeness and fairness. The Supervisory Committee approved the Company's financial and audit reports presented by PricewaterhouseCoopers, the international auditor and PricewaterhouseCoopers Zhong Tian CPAs Company Limited, the domestic auditor.

(IV) Inspection of the Utilization of Proceeds Raised by the Company

During the year, the Company had no proceeds raised or funds brought forward from previous periods.

(V) Inspection of the Acquisitions and Disposals of the Company's Assets

The Supervisory Committee is of the opinion that during the year, the consideration for the major acquisition and major disposal of assets by the Company was fair, without insider dealings and acts impairing the interests of the shareholders or leading to a loss in the Company's assets.

(VI) Inspection of Connected Transactions of the Company

During the year, the procedures for entering into connected transactions by the Company were in compliance with the requirements under the Hong Kong Listing Rules. The contracts of connected transactions observed the principles of fairness and integrity, without acts impairing the interests of the shareholders and the Company.

(VII) Review of Self-assessment Report on Internal Control

During the year, the Supervisory Committee attended work meetings of the Audit Committee of the Board and listened to reporting in respect of the Company's internal control and examination and fully performed its role of guidance and supervision. The Supervisory Committee reviewed "2010 Self-assessment Report on Internal Control of the Company" and the "Directors' Draft Workings in respect of the Review of 'Directors' Self-assessment Report in respect of Internal control of the Company'", and is of the opinion that the Company has established and maintained internal controls relating to the financial reporting in accordance with the requirements of "Basic Principles of Corporate Internal Control" and"Guidelines on Internal Control for Companies Listed on the Shanghai Stock Exchange", thereby ensuring the truthfulness, completeness and reliability of the information contained in the financial report and preventing risks of material misstatements.

In 2011, the Supervisory Committee will perform the duties of the Company's standing supervisory body in a diligent manner in accordance with the terms of reference prescribed by the Articles of Association. The Supervisory Committee will also perform its duty of supervising the Company's operation,, the discharge of responsibilities by directors and management, and aspects of finance of the Company and so forth. The Supervisory Committee will also be responsible for the supervision of the Board and its members and the senior management, to prevent them from abusing their power and authorities and from jeopardizing the legal interests of the shareholders, the Company and its staff.

By Order of the
Supervisory Committee
Ao Hong
Chairman of the Supervisory Committee

Report on Corporate Governance and Internal Control

Corporate Governance Practices

The Board has reviewed its corporate governance documents and internal control guidelines, and is of the view that, except for the overlapping roles of Chairman and CEO being performed by the same person, the Company has been in compliance with the code provisions in the "Code on Corporate Governance Practices" (the "CG Code") as set out in Appendix 14 of the Hong Kong Listing Rules and the Guidelines of the Shanghai Stock Exchange for the Internal Control of Listed Companies ("Internal Control Guidelines").

The Directors believe that, save for the principle regarding the segregation of the roles of Chairman and CEO, the Articles of Association, the scope of responsibilities of the Audit Committee, the scope of responsibilities of the Supervisory Committee and the Codes on Securities Dealings by Directors, Supervisors and Specified Employees, which constitute the framework for the codes on corporate governance of the Company, have covered the principles and the code provisions of the CG Code as set out in Appendix 14 to the Hong Kong Listing Rules and the Guidelines of the Shanghai Stock Exchange for the Internal Control of Listed Companies. The internal corporate governance documents of the Company are more stringent than the CG Code and the Internal Control Guidelines in the following areas:

1. In addition to the Independent Audit Committee, Remuneration Committee and Nomination Committee, the Company has also established the Development and Planning Committee, Disclosure Committee, Executive Committee and Occupational Health and Safety and Environment Committee.

2. All members of the Independent Audit Committee were Independent Non-executive Directors, of whom Mr. Zhu Demiao, the Chairman, possesses extensive professional experience in finance, auditing and capital management and is the financial expert of the Board.

Securities Transactions by the Directors, Supervisors & Relevant Employees

The Board has formulated written guidelines on securities transactions by the Directors, Supervisors and relevant employees of the Company, the terms of which are more stringent than the required standards set out in the Model Code under Appendix 10 of the Hong Kong Listing Rules and the Listing Rules of the Shanghai Stock Exchange. Following a specific enquiry by the Company, all Directors, Supervisors and relevant employees have confirmed their compliance with the required standards set out in the written guidelines.

The Board

During the year, the third session of the Board of the Company consisted of nine Directors, with four executive Directors, namely Mr. Xiong Weiping, Mr. Luo Jianchuan, Mr. Chen Jihua and Mr. Liu Xiangmin, one Non-executive Director, Mr. Shi Chungui, and four independent non-executive Directors, namely Mr. Kang Yi, Mr. Zhang Zhuoyuan, Mr. Wang Mengkui and Mr. Zhu Demiao. Mr. Xiong Weiping was the Chairman and CEO. On June 22, 2010, at the 2009 annual general meeting of the Company, four executive Directors, namely Mr. Xiong Weiping, Mr. Luo Jianchuan, Mr. Chen Jihua and Mr. Liu Xiangmin, two non-executive Directors, namely Mr. Shi Chungui and Mr. Lv Youqing and three independent non-executive Directors, namely Mr. Zhang Zhuoyuan, Mr. Wang Mengkui and Mr. Zhu Demiao were elected as Directors of the fourth session of the Board of the Company. As Mr. Kang Yi, the former independent non-executive Director of the Company, had served as an independent non-executive Director of the Company for six consecutive years and in accordance with the PRC law, he could not continue to hold such position and retired from office after the 2009 Annual General Meeting convened on June 22, 2010. Mr. Xiong Weiping was elected as the Chairman of the fourth session of the Board of the Company at the first meeting of the fourth session of the Board of the Company held on the same day. Due to personal reason, Mr. Chen Jihua resigned on October 28, 2010 from his positions as executive Director, Vice President, Chief Financial Officer, member of the Executive Committee and member of the Development and Planning Committee of the Company. The Company published an announcement regarding the matters of his resignation on October 29, 2010.

The Board confirmed that it has received the annual written confirmation of independence from each independent non-executive Director pursuant to Rule 3.13 of the Hong Kong Listing Rules, and after due enquiry, considered that Mr. Zhang Zhuoyuan, Mr. Wang Mengkui and Mr. Zhu Demiao were independent.

Code Provision A.2.1 under Appendix 14 of the Hong Kong Listing Rules stipulates that the roles of Chairman and CEO should be separate and should not be performed by the same individual. Mr. Xiong Weiping is Chairman and CEO of the Company. The Board believes that vesting the roles of both Chairman and CEO in the same person provides the Company with strong and consistent leadership and allows for effective and efficient planning and implementation of business decisions and strategies. The Board believes that such arrangement will not have negative influence on the balance of rights and authorizations between the Board and the management of the Company.

Report on Corporate Governance and Internal Control (Continued)

Each Director acted in the interests of the shareholders, and used his best endeavors to perform the duties and obligations in accordance with all the applicable laws and regulations. The duties of the Board include: deciding on the Company's business plans and investment proposals, formulating the Company's profit distribution and loss recovery proposals, determining the Company's capital operation proposals, and implementing shareholders' resolutions, etc.

The Chairman was responsible for ensuring that the Directors perform their requisite duties and obligations, and maintaining effective operation of the Board, as well as ensuring timely discussion of all major matters. The Chairman has separately discussed with the Non-executive Directors, and fully understood their opinions and advices on the operation of the Company and the work of the Board.

The Secretarial Office of the Board offered comprehensive services to the Directors and provided all the Directors with sufficient information on a timely basis in order to enhance their understanding of the Company. It also effectively maintained communications with shareholders to ensure that their views have reached the Board.

The Company has appointed a sufficient number of independent non-executive Directors with suitable professional qualifications, such as expertise in accounting or financial management, in accordance with the requirements of the Hong Kong Listing Rules. The three independent non-executive Directors of the Company were independent. They are professionals with extensive experience in the respective fields of finance and economics. They have diligently provided the Company with professional advice with respect to the steady operation and development of the Company. They have also coordinated with the Company for the purpose of safeguarding the interests of the Company and its shareholders.

Details of attendance of the independent non-executive Directors at Board meetings are as follows:

Name of independent non-executive Director	Required Attendance at physical Board meetings for 2010 *(number of times)*	Attendance in person *(number of times)*	Attendance by proxy *(number of times)*	Absence *(number of times)*
Kang Yi (Retired)	2	1	1	0
Zhang Zhuoyuan	5	5	0	0
Wang Mengkui	5	4	1	0
Zhu Demiao	5	3	2	0

During the year, the independent non-executive Directors of the Company did not raise any objection to the resolutions proposed at Board meetings and other meetings.

Other than their appointments in the Company, none of the Directors, Supervisors or the senior management has any financial, business, family or other significant relationships with each other.

Other than their respective service contracts, none of the Directors or the Supervisors has any significant personal interest, direct or indirect, in the material contracts entered into by the Company or any of its subsidiaries during 2010.

In 2010, the Company held twelve Board meetings, including five physical meetings and seven meetings by means of telecommunications. The average attendance rate of all Directors, including Mr. Xiong Weiping, Mr Luo Jianchuan, Mr. Chen Jihua (resigned on October 28, 2010), Mr. Liu Xiangmin, Mr. Shi Chungui, Mr. Lv Youqing, Mr. Kang Yi (retired on June 22, 2010), Mr. Zhang Zhuoyuan, Mr. Wang Mengkui and Mr. Zhu Demiao at the five physical Board meetings was 100% (including attendance by proxy). Details of the physical meetings were recorded by a designated person, and the approved proposals were passed as Board resolutions, which were recorded and filed in accordance with relevant laws and regulations. The work of the Board in 2010 mainly included:

- Review of the Company's annual, interim and quarterly results reports;
- Review of the annual production and business plans and budget;
- Review of the annual profit distribution proposal;
- Review of the matters regarding the issue of shares and bonds;
- Review of the Company's continuing connected transactions over the next three years;
- Review of the amendments to the Articles of Association;
- Review of the composition of each special committee under the Board; and
- Review of the Company's remuneration proposal for Directors, Supervisors and senior management, etc.

Particulars of each Board meeting in 2010 are as follows:

(1) On February 9, 2010, the Board convened the 18th meeting of the third session of the Board by means of telecommunications. The Board considered and approved the resolution relating to the entering into of a framework agreement between the Company and GIIG Holdings Sdn Bhd of Malaysia, for the joint construction of an aluminum plant. The announcement of the resolution was published on Shanghai Securities News, Securities Times and the PRC designated websites and disclosed on the website of the Hong Kong Stock Exchange on February 9.

(2) On March 26, 2010, the Board convened the 19th meeting of the third session of the Board. The Board considered and approved a total of nineteen resolutions including the 2009 annual report, the proposed non-distribution of dividends for year 2009, 2010 budget, capital expenditure plan and financing plan, the candidates for Director of the fourth session of the Board of the Company, annual remuneration for Directors, Supervisors and senior management of the Company for 2010, the amendments to the Articles of Association, issuance of short term financing bonds and medium-term notes, and Report of Corporate Social Responsibility and Self-assessment Report on Internal Control of the Company. The announcement of the resolutions was published on Shanghai Securities News, Securities Times and the PRC designated websites and disclosed on the website of the Hong Kong Stock Exchange on March 27.

(3) On April 20, 2010, the Board convened the 20th meeting of the third session of the Board. The Board considered and approved the resolution in relation to the 2010 First Quarterly Report. The announcement of the resolution was published on Shanghai Securities News, Securities Times and the PRC designated websites and disclosed on the website of the Hong Kong Stock Exchange on April 20, 2010.

(4) On May 7, 2010, the Board convened the 21st meeting of the third session of the Board by means of telecommunications. The Board considered and approved the resolutions namely, resolutions in relation to the reappointment of auditors of the Company for the year 2010. The announcement of the resolutions was published on Shanghai Securities News, Securities Times and the PRC designated websites and disclosed on the website of the Hong Kong Stock Exchange on May 7, 2010.

(5) On June 22, 2010, the Board convened the first meeting of the fourth session of the Board. The Board considered and approved 11 resolutions including resolutions in relation to the election of the Chairman of the fourth session of the Board of the Company, the appointment of the Chief Executive Officer of the Company, the appointment of the members of the Executive Committee of the Company, the appointment of the President, Vice President and Chief Financial Officer of the Company, the appointment of the Secretary to the Board of the Company and the appointment of the members of each special committee under the Board. The announcement of the resolutions was published on Shanghai Securities News, Securities Times and the PRC designated websites and disclosed on the website of the Hong Kong Stock Exchange on June 22, 2010.

(6) On July 29, 2010, the Board convened the 2nd meeting of the fourth session of the Board by means of telecommunications. The Board considered and approved the resolution in relation to the joint development by the Company and Rio Tinto of the Simandou iron ore project located in Guinea, West Africa. The announcement of the resolution was published on Shanghai Securities News, Securities Times and the PRC designated websites and disclosed on the website of The Hong Kong Stock Exchange Limited on July 29, 2010.

(7) On August 10, 2010, the Board convened the 3rd meeting of the fourth session of the Board by means of telecommunications. The Board considered and approved the resolution in relation to the preparatory work of the Company's participation in the coal resources integration project in Jiexiu, Shanxi

(8) On August 23, 2010, the Board convened the 4th meeting of the fourth session of the Board. The Board considered and approved the resolution regarding the 2010 interim report of the Company and the proposed non-distribution of 2010 interim dividends. The announcement of the resolutions was published on Shanghai Securities News, Securities Times and the PRC designated websites and disclosed on the website of the Hong Kong Stock Exchange on August 23, 2010.

(9) On October 25, 2010, the Board convened the 5th meeting of the fourth session of the Board. The Board considered and approved five resolutions in relation to the 2010 third quarterly report of the Company, the expansion of business scope of the Company and the corresponding amendments to the Articles of Association, the counter guarantee in favour of Chinalco for its guarantee provided for the Simandou project located in Guinea, West Africa, and the approval of the Company's participation in the coal resources integration project in Jiexiu, Shanxi. The announcement of the resolutions was published on Shanghai Securities News, Securities Times and the PRC designated websites and disclosed on the website of The Hong Kong Stock Exchange Limited on October 25, 2010.

(10) On November 22, 2010, the Board convened the 6th meeting of the fourth session of the Board by means of telecommunications. The Board considered and approved the resolution in relation to the 2010 Performance Appraisal and Remuneration Allocation System for the Members of the Management Team of Aluminum Corporation of China Limited.

(11) On December 10, 2010, the Board convened the 7th meeting of the fourth session of the Board by means of telecommunications. The Board considered and approved the resolution relating to the proposal to adjust the term of depreciation for the Company's fixed assets. The announcement of the resolution was published on Shanghai Securities News, Securities Times and the PRC designated websites and disclosed on the website of The Hong Kong Stock Exchange Limited on December 10, 2010.

(12) On December 29, 2010, the Board convened the 8th meeting of the fourth session of the Board by means of telecommunications. The Board considered and approved resolutions such as the proposed acquisition of 9.5% equity interests in China Aluminum International Trading Co., Ltd. by the Company and the proposed issue of debt financing instruments of the Company. The announcement of the resolutions was published on Shanghai Securities News, Securities Times, the PRC designated websites and disclosed on the website of The Hong Kong Stock Exchange Limited on December 29, 2010.

Implementation of Shareholders' Resolutions by Directors:

During the year, all Board members of the Company implemented the shareholders' resolutions and completed all matters delegated by the general meeting in accordance with provisions of the relevant laws and regulations and the Articles of Association.

The major agendas of the half yearly and yearly Board meetings were determined in the previous year to ensure all Directors had the opportunity to propose matters to be discussed at the meetings. Notice would be given to the Directors fourteen days before the meeting and the proposed resolutions of the Board would be provided to the Directors ten days prior to the meeting, which gave them sufficient time to review the resolutions.

The Board attached great importance to the influence on the Company's development strategy caused by the changes of the external environment. In 2009, the Company swiftly adjusted its development strategies and adopted contingency measures to reduce losses of profit arising from the global financial turmoil.

The total remuneration, including the basic salary, performance-linked salary, incentive-linked salary and discretionary bonus of the Directors in 2010 amounted to RMB4.01 million, among which independent non-executive Directors are only entitled to receive director's fees but not other remuneration.

The remuneration of each Director for the year is set out in note 31 to the consolidated financial statements.

As of December 31, 2010, no stock appreciation rights scheme had been adopted by the Company.

Audit Committee

The Audit Committee has been established under the Board. Its duties are mainly to review the financial reports, audits of financial reports, internal control system, corporate governance and financial position of the Company, consider the appointment of independent auditors and approve audit and audit-related services, and supervise the Company's internal financial reporting procedures and management policies.

The Audit Committee of the third session of the Board of the Company consisted of four independent non-executive Directors, including Mr. Zhu Demiao, Mr. Kang Yi, Mr. Zhang Zhuoyuan and Mr. Wang Mengkui, with Mr. Zhu Demiao as the chairman of the Committee. Mr. Kang Yi retired as an independent non-executive Director of the Company at the conclusion of the annual general meeting held on June 22, 2010 as a result of the expiry of his term of office. Mr. Zhu Demiao, Mr. Zhang Zhuoyuan and Mr. Wang Mengkui have been appointed as the members of the Audit Committee of the fourth session of the Board of the Company and Mr. Zhu Demiao was appointed as the chairman of the committee upon consideration and approval on the first meeting of the fourth session of the Board on June 22, 2010. The term of office of the Audit Committee members will expire at the conclusion of the Company's 2012 Annual General Meeting.

In accordance with its work rules, the committee would hold at least four meetings annually to review the accounting policies, periodic financial reports, internal control and relevant financial issues, and connected transactions of the Group, so as to ensure completeness, accuracy and fairness of the Company's financial statements and other relevant information. In 2010, the Audit Committee held six meetings in total with an average attendance rate of 100% (including attendance by proxy) based on the current four members, of which, Mr. Zhu Demiao, Mr. Zhang Zhuoyuan and Mr. Wang Mengkui attended all the meetings in person, while Mr. Kang Yi attended twice in person.

In 2010, major duties of the Audit Committee were as follows:

1. Supervised the Company's financial reporting, and considered the Company's annual, interim and quarterly financial reports;

2. Considered the Annual Work Report of the Audit Committee,

3 Considered the Annual and Half-year Anti-fraud Work Report of the Company;

4. Considered the Self-assessment Report on Internal Control of the Company;

5. Considered the Annual Risk Assessment Report of the Company;

6. Supervised the accounting system of the Company, including in relation to the deployment of accounting and financial staff, and considered the Company's Report on Improvement in Internal Control; and

7. Considered the work report of the auditors.

Details of the meetings were recorded by a designated person with signatures of all members as confirmation, and all resolutions passed at each meeting were recorded and filed in accordance with relevant rules. Members of the committee performed their duties diligently and provided recommendations in relation to the operation and management, financial reports, internal control and production operation of the Company from an independent and impartial perspective.

The Company has established work procedures for the Audit Committee for the performance of its supervisory role in auditing. Before the external auditors commenced its annual audit, the Audit Committee reviewed the Company's financial position and negotiated with the external auditors about audit timetable for the year. Throughout the audit by the external auditors, the Audit Committee maintained communications with them and ensured completion of audit within the designated timeframe. The Audit Committee further reviewed the financial report of the Company after the external auditors issued their preliminary audit opinions, before finalising their recommendations for submission of the audited financial report to the Board of the Company for review; the committee also resolved on the reappointment of the auditors of the Company for the year 2010 which was further submitted to the Board for review.

The Audit Committee and the management discussed the internal control system of the Company, so as to make sure that the management had performed their duties in establishing an effective internal control system, which included considering whether or not the Company had sufficient resources with qualified and experienced staff to perform accounting and financial reporting duties, and whether or not relevant staff were well trained and the relevant budget was sufficient.

The Audit Committee is of the view that the Company had complied with the requirements of the above corporate internal control system during the year.

Remuneration Committee and Nomination Committee

Remuneration Committee and Nomination Committee have been established under the Board.

The Remuneration Committee of the third session of the Board consisted of four independent non-executive Directors, namely Mr. Kang Yi, Mr. Zhu Demiao, Mr. Wang Mengkui and Mr. Zhang Zhuoyuan. Mr. Kang Yi was the chairman of the Committee. On June 22, 2010, the Remuneration Committee of the fourth session of the Board consisted three independent non-executive Directors, namely Mr. Zhu Demiao, Mr. Wang Mengkui and Mr. Zhang Zhuoyuan and one non-executive Director, namely Mr. Lv Youqing. Mr. Zhang Zhuoyuan is the chairman of the committee. Duties of the Remuneration Committee include:

1. Review and discuss the Company's remuneration policies for Directors, Supervisors and senior management;

2. Review operation results indicators and the performance assessment management measures of the Executive Committee;

3. Review and discuss the Company's remuneration and bonus policies for members of the Executive Committee and senior management;

4. Provide advice on other material events regarding remuneration.

The Remuneration Committee of the third session of the Board held one meeting in 2010 which was attended by Mr. Kang Yi, Mr. Zhu Demiao, Mr. Wang Mengkui and Mr. Zhang Zhuoyuan. The attendance rate for the meeting was 100%. Mr. Zhu Demiao, Mr. Wang Mengkui, Mr. Zhang Zhuoyuan and Mr. Lv Youqing attended the first meeting of the Remuneration Committee of the fourth session of the Board. The attendance rate for the meeting was 100%. Details of the meeting convened by the Remuneration Committee of the Company in 2010 were as follows:

The 4th meeting of the Remuneration Committee of the third session of the Board was held on March 26, 2010, at which the committee considered the proposals including the basic framework of remuneration standards for 2010 and renewal of liability insurance for years 2010-2011 for the Company's Directors, Supervisors and other senior management members, and formed relevant resolutions.

On November 15, 2010, the Remuneration Committee held the first meeting of the fourth session of the Board by means of a written resolution, at which the committee considered and approved the 2010 Performance Appraisal and Remuneration Allocation System of the Members of the Management Team of Aluminum Corporation of China Limited, which further specified the annual remuneration standards, performance appraisal and award system for three senior management positions including Chief Executive Officer, President and Vice President (Chief Financial Officer), which were also considered and approved at the 6th meeting of the fourth session of the Board of the Company held on November 22, 2010.

The third session of the Nomination Committee consisted of two executive Directors, Mr. Xiong Weiping and Mr. Luo Jianchuan, as well as two independent non-executive Directors, Mr. Kang Yi and Mr. Zhang Zhuoyuan, with Mr. Xiong Weiping as the chairman of the committee. On June 22, 2010, two executive Directors, Mr. Xiong Weiping and Mr. Luo Jianchuan, as well as three independent non-executive Directors, Mr. Zhang Zhuoyuan, Mr. Wang Mengkui and Mr. Zhu Demiao, were elected as the new session of the Nomination Committee under the fourth session of the Board of the Company, with Mr. Xiong Weiping as the chairman of the committee. Duties of the Nomination Committee include:

1. Discuss and recommending candidates for independent directors of the Board;

2. Discuss and recommending members of the Board or other personnel to be candidates for members of special committees;

3. Prepare the appointment procedures and re-election plan for members of the Executive Committee and other senior management members;

4. Provide advice to the appointment and dismissal of the members of the Executive Committee and other senior management members;

5. Provide advice to the appointment and dismissal of other personnel which is considered important.

The procedures for appointment of new Directors of the Company are: the Nomination Committee of the Board nominates a director candidate for consideration and approval of the Board, which is then put forward for election at a general meeting.

Mr. Xiong Weiping succeeded as the chairman of the Nomination Committee after being appointed as an executive Director at the 2008 Annual General Meeting, and was re-appointed to undertake the above positions at the 2009 Annual General Meeting.

The Nomination Committee held two meetings in 2010 and all members attended the meetings (including attendance by proxy). Details of the meetings convened by the Nomination Committee in 2010 were as follows:

- The 7th meeting of the third session of the Nomination Committee of the Company was held on March 26, 2010, at which the candidates nominated for the fourth session of the Board of the Company were considered by the committee and relevant resolutions were formed.

- The first meeting of the Nomination Committee of the fourth session of the Board was held on June 22, 2010. The Nomination Committee considered the nomination of CEO and the members of Executive Committee, the nomination of the candidates for President, Vice President, Chief Financial Officer and Secretary to the Board; the nomination of the candidates for the Remuneration Committee, Audit Committee, Development and Planning Committee, Occupational Health and Safety and Environment Committee and formed relevant resolutions.

Details of each meeting of the Remuneration Committee and Nomination Committee were written down by a designated person. All issues approved in the meetings were recorded and filed in compliance with relevant laws and regulations.

Development and Planning Committee

The Development and Planning Committee has also been established under the Board. The committee consists of executive Directors, namely, Mr. Luo Jianchuan and Mr. Liu Xiangmin with Mr. Luo Jianchuan as the chairman of the committee. Duties of the Development and Planning Committee include reviewing and evaluation of the Company's development, financial budget, investment, business operation and strategic plan of annual investment returns. The Development and Planning Committee has operated in an orderly manner in accordance with its procedural rules.

Executive Committee

The Board has established the Executive Committee, which comprises Mr. Xiong Weiping (Chairman), Mr. Luo Jianchuan (President), Mr. Liu Xiangmin (Executive Director), Mr. Ding Haiyan (Vice President), Mr Jiang Yinggang and Mr. Xie Hong. Mr. Xiong Weiping and Mr. Luo Jianchuan served as the chairman and vice chairman of the current session of the Executive Committee respectively. Mr. Liu Caiming (Senior Vice President and Chief Financial Officer) was appointed as a member of the Executive Committee on February 23, 2011.

Information Disclosure and Disclosure Committee

Great importance is attached by the Company to accurate, timely, fair and transparent disclosure of information. All information (including annual and interim results) to be disclosed would be subject to the approval of the Company's Disclosure Committee with the CEO as its Chairman. For the purpose of disclosure of financial statements and related information, the Chief Financial Officer will ensure that the Company's results and financial position will be reflected on a true and fair basis in accordance with the relevant accounting principles and requirements.

Occupational Health and Safety and Environment Committee

The establishment of Occupational Health and Safety and Environment Committee was approved, and the committee was established on the 19th meeting of the third session of the Board of the Company held on March 26, 2010. Occupational Health and Safety and Environment Committee comprises Directors, Mr. Lv Youqing and Mr. Liu Xiangmin, with Mr. Lv Youqing as the chairman. Duties of Occupational Health and Safety and Environment Committee include consideration of the Company's annual planning on health, environmental protection and safety, supervision of the Company's actual implementation of the planning on health, environmental protection and safety initiatives, inquiring into serious incidents and inspecting and supervising over the handling of such incidents, as well as making recommendations to the Board on major decisions on health, environmental protection and safety. The Occupational Health and Safety and Environment Committee has operated in an orderly manner in accordance with its procedural rules.

Supervisory Committee

The third session of the Supervisory Committee of the Company consisted of three members, with one employee representative supervisor being elected by the employees. The Supervisory Committee was responsible for supervising the Board and its members and senior management, in order to prevent them from abusing their authorities and violating the legitimate interests of shareholders, the Company and its staff. Tenures of all members of the third session of the Supervisory Committee of the Company expired at the conclusion of the 2009 Annual General Meeting of the Company. As recommended by Chinalco, the controlling shareholder of the Company, Mr. Ao Hong and Mr. Zhang Zhankui were nominated as the candidates for Supervisors of the fourth session of the Supervisory Committee of the Company. Upon nomination at the 19th meeting of the third session of the Board of the Company on March 26, 2010, the appointments of Mr. Ao Hong and Mr. Zhang Zhankui as the shareholder representative Supervisors of the fourth session of the Supervisory Committee of the Company were considered and approved at the 2009 Annual General Meeting of the Company held on June 22, 2010, with a term of office expiring at the conclusion of the 2012 Annual General Meeting. As recommended by the Company and democratically elected by the employees of the Company, Mr. Yuan Li has been appointed as the employee-representative Supervisor of the fourth session of the Supervisory Committee of the Company, with a term of office expiring at the conclusion of the 2012 Annual General Meeting. In 2010, the Supervisory Committee convened five meetings, at which the committee reviewed the Company's financial position and the legal compliance of its operations as well as diligence of the senior management, and kick-started all tasks on the principle of good faith.

General Meetings

General meeting is the highest authority of the Company. It provides a good opportunity for direct communications and building a sound relationship between the Board and the shareholders of the Company. Therefore, the Company attaches great importance to such meetings. In 2010, the Company convened two general meetings, one class meeting for holders of A shares and one class meeting for holders of H shares, namely:

- 2009 Annual General Meeting held on June 22, 2010;
- 2010 First Extraordinary General Meeting held on August 23, 2010;
- 2010 First Class Meeting for Holders of A Shares held on August 23, 2010;
- 2010 First Class Meeting for holders of H Shares held on August 23, 2010.

All meetings mentioned above were convened and held in the conference room of the Company at No. 62, North Xizhimen Street, Beijing. The meetings mainly considered and approved the following:

- the Director's Report, Report of Supervisory Committee and Consolidated Financial Report for 2009;
- the proposed non-distribution of final dividends for year 2009 and interim dividends for 2010;
- the election of the Directors of the fourth session of the Board and the Supervisors of the fourth session of the Supervisory Committee of the Company;
- the year 2010 remuneration proposal for the Company's Directors and Supervisors;
- the expansion of business scope of the Company and the corresponding amendments to the Articles of Association;
- the issue of short term financing bonds and medium term notes;

- the general mandate granted to the Board of the Company to issue H shares; and

- the one-year extension of the validity period of the relevant resolutions and authorisation for the issue of non-public offering of A shares of the Company.

On the whole, all resolutions were approved with an average approval rate of 99.08%.

The Chairman of the Board or person authorized by him presided over such general meetings and explained to the shareholders the procedures for voting before the shareholders considered and voted on each resolution. Notices of the meetings were given to all Directors and Supervisors, and some of whom also attended the general meetings. Members of Audit Committee, Remuneration Committee and Nomination Committee had also been notified to attend the meetings as observers.

Particulars of each general meeting in 2010 were as follows:

(1) On June 22, 2010, the Company convened the 2009 Annual General Meeting, at which thirteen resolutions were considered and approved, including the Director's Report and Report of Supervisory Committee for 2009, the Audited Financial Statements for 2009, election of Directors of the fourth session of the Board and Supervisors of the fourth session of the Supervisory Committee of the Company, amendments to the Articles of Association, issue of short-term corporate bonds and issue of medium term notes. The announcement of the resolutions was published on Shanghai Securities News, Securities Times and the PRC designated websites and disclosed on the website of The Hong Kong Stock Exchange Limited on June 22, 2010.

(2) On August 23, 2010, the Company convened the 2010 First Extraordinary General Meeting, at which the proposal in relation to a one-year extension of the validity period of relevant resolutions and authorisation for the non-public offering of A shares of the Company was approved. The announcement of the resolution was published on Shanghai Securities News, Securities Times and the PRC designated websites and disclosed on the website of The Hong Kong Stock Exchange Limited on August 23, 2010.

Report on Corporate Governance and Internal Control (Continued)

(3) On August 23, 2010, the Company convened the 2010 First Class Meeting for Holders of A Shares, at which the proposal in relation to a one-year extension of the validity period of relevant resolutions and authorisation for the non-public offering of A shares of the Company was approved. The announcement of the resolution was published on Shanghai Securities News, Securities Times and the PRC designated websites and disclosed on the website of The Hong Kong Stock Exchange Limited on August 23, 2010.

(4) On August 23, 2010, the Company convened the 2010 First Class Meeting for Holders of H Shares, at which the resolution in relation to a one-year extension of the validity period of relevant resolutions and authorisation for the non-public offering of A shares of the Company was approved. The announcement of the resolution was published on Shanghai Securities Journal, Securities Times and the PRC designated websites and disclosed on the website of The Hong Kong Stock Exchange Limited on August 23, 2010.

Investor Relations

The Company has established a designated department for investor relations, which is responsible for matters concerning investor relations and has formulated the "Investor Relations Management Measures" to regulate the relationships with the investors. The Company's management maintains close communications with investors, analysts and the media by various means including roadshows, meetings, individual interviews and investors' visits to the Company, thereby further increasing investors' recognition of the Company. In 2010, the Company arranged its senior management to visit investors in two global roadshows and arranged four corporate visits for investors and more than 80 group visits to the Company by investors, and participated in ten investors' meetings arranged by investment banks. In addition, our investor relationships department is also responsible for answering investors' enquiries and replying mails on a timely basis.

As of December 31, 2010, the total market capitalization of the Company was approximately RMB120.9 billion, among which, the market capitalization of A shares subject to trading moratorium was approximately RMB57.28 billion, the market capitalization of tradable A shares was approximately RMB39.86 billion and the market capitalization of H shares was approximately HK$27.96 billion (equivalent to approximately RMB23.79 billion). Note: As of December 31, 2010, the number of issued shares of the Company was 13,524,487,892, including 5,649,217,045 A shares subject to trading moratorium, 3,931,304,879 tradable A shares and 3,943,965,968 H shares. The A share closing price was RMB10.14, and H share closing price was HK$7.09 as of December 31, 2010. For details of classes of shareholders please refer to page 32.

Corporate Management and Internal Control

Corporate management

As and when required, the Company convened Executive Committee meetings, which were chaired by the chairman of the Executive Committee and attended by its members, and the presidential office meetings, which were chaired by the senior management with attendants including department heads from the Company's headquarters. The Company's operation, implementation of investment projects and financial issues were considered and determined at such meetings. The Company's management including managers from branches, subsidiaries, associated companies and department heads from the headquarters convened annual, interim and monthly work meetings in order to summarize and arrange works on a yearly, year-half and monthly basis. The meetings have facilitated the organization, coordination, communication and implementation of the Company's various operations.

Report on Corporate Governance and Internal Control (Continued)

Internal control

The Board and the management attached much importance to the establishment and improvement of the internal control system. The Company had fully established and evaluated the relevant internal control system across three spectrums covering the corporate governance and system, business and accounting procedures and information system control in compliance with the requirements of "Basic Principles of Corporate Internal Control" and its implementation guidelines, "Guidelines on Internal Control for Companies Listed on the Shanghai Stock Exchange" and Sarbanes-Oxley, and obtained the audit opinion from the external auditors confirming the effectiveness of the Company's internal control. The internal control system served as a reasonable guarantee of the legal compliance of the operation and management of the company, its asset safety and truthfulness and completeness of its financial reports and relevant information, and increased the operational efficiency and performance of the Company, which safeguarded the smooth implementation of the Company's development strategies.

The internal control system of the Company was applied in various aspects such as production, sales, finance and supply. The Company performed annual reviews on the system in order to track its operation in a timely manner, and revised or abolished some regulations in accordance with relevant PRC laws and regulations and actual conditions of the Company.

As a special committee established under the Board, the Audit Committee of the Company has supervised and inspected the comprehensiveness and implementation of the internal control system of the Company, and regularly discussed with the management on the internal control system in order to ensure that the management had performed its duties to establish an effective internal control system.

The Company set up departments dedicated to daily examination and supervision of internal control, and designated personnel to examine and supervise internal control according to the relevant provisions and conditions of the Company. The department assigned for such purpose inspected and oversaw the periodic internal control test of all functional departments and units in headquarters. At the end of the year, all functional departments and units in headquarters are required to evaluate their internal control and sign a statement for verification. The Board of the Company will also conduct self-evaluation and sign a statement regarding the internal control of the Company as a whole.

In 2010, with reference to the regulatory documents on corporate governance of listed companies issued by regulatory bodies in the PRC, Hong Kong and USA, the Company improved, optimized, testified and evaluated internal control over production and operation, financial management and information disclosure of the Company, in particular those relevant to financial reporting whilst ensuring that the internal control system of the Company was still in effect. The conclusion set out in the management's self-evaluation report on the effectiveness of internal control on financial reporting was valid. Key internal controls exercised by the Company were as follows:

The Company had further improved the internal control system across three spectrums covering corporate governance system, business and accounting procedures and information system control, in compliance with the requirements of the "Basic Principles of Corporate Internal Control" of the Ministry of Finance, "Guidelines on Internal Control for Companies Listed on the Shanghai Stock Exchange" and the U.S. Sarbanes-Oxley Act

According to the Basic Standards on Internal Control of Corporations issued by Ministry of Finance, the Company streamlined and optimized its internal control on five aspects including internal environment, risk assessment, control activities, information and communication, and internal supervision, based on the changes in the internal and external business environment. The Company also carried out necessary tests to ensure the sustained effectiveness of the system design and operation.

The Company revamped its accounting-related internal control regarding capital management measures in accordance with the relevant laws and regulations of the PRC and the actual conditions of the Company.

Under the authorization of the Board of the Company, the Audit Committee of the Company performed its functions in accordance with the authority given under the Articles of Association and the Work Rules for the Board and formulated the Work Rules for the Audit Committee.

Since the listing of the Company, the finance department of the Company has been preparing the Company's financial reports in accordance with the Hong Kong Financial Reporting Standards and supplemented the reports with the Reconciliation Table under U.S. Standards (美國準則下差異調節表) in compliance with the requirements of the Hong Kong Stock Exchange and the U.S. Securities and Exchange Commission. In 2007, the U.S. Securities and Exchange Commission issued an order permitting listed companies in the U.S. to prepare its financial reports in accordance with the International Financial Reporting Standards; and agreed that in so doing, companies would be exempted from submitting the supplementary Reconciliation Table under U.S. Standards (美國準則下差異調節表).

Auditor's Remuneration

PricewaterhouseCoopers and PricewaterhouseCoopers Zhong Tian CPAs Company Limited (collectively, "PricewaterhouseCoopers Firms") were re-appointed as the Company's international and domestic independent auditors, respectively, at the last Annual General Meeting for a term ending on the date of the next Annual General Meeting. Aggregate fees in respect of audit and audit related services provided by PricewaterhouseCoopers Firms during the year were RMB16.4 million.

Directors' and Auditors' Acknowledgment

All directors acknowledged their responsibility for preparing the accounts for the year ended December 31, 2010.

For auditors' reporting responsibilities, please refer to the auditors' report.

Compliance and Exemption of Corporate Governance Obligations Imposed by New York Stock Exchange

Based on its Listing Rules, New York Stock Exchange ("NYSE") imposed a series of corporate governance standards for companies listed on the NYSE. However, NYSE has granted permission to listed companies of foreign issuers to follow their respective "home country" practice and has granted waivers for compliance with corporate governance standards. One of the conditions for such waiver is for the listed company to disclose in its annual report how the corporate governance practices in its "home country" differ from those followed by companies under NYSE listing standards.

The Company had compared the corporate governance standards generally adopted by the companies incorporated in the PRC and the standards developed by NYSE, as follows:

Independent Directors Constituting the Majority

NYSE requires that the board of a listed company must comprise a majority of independent directors. There is no identical corporate governance requirement in the PRC. The Board of the Company currently comprises three independent directors and five non-independent directors which is in compliance with the requirement by the PRC securities regulatory authorities that the board of a listed company shall comprise at least one-third of independent directors.

Corporate Governance Committee

NYSE requires a listed company to establish a Corporate Governance Committee which comprises entirely of independent directors. The Corporate Governance Committee shall be co-established with the Nomination Committee and have a written charter. The Corporate Governance Committee is responsible (i) for recommending to the board a set of corporate governance guidelines applicable to the corporation; and (ii) for supervising the operation of the board and the management. The Corporate Governance Committee shall also be subject to evaluation annually.

Like most of the other companies incorporated in the PRC, the Company believes that corporate governance measures are of critical importance and should be implemented by the Board. The Company accordingly does not separately maintain a Corporate Governance Committee.

Significant Events

(1) Corporate Governance

The Company has strictly complied with the requirements of the Company Law, the Securities Law, relevant provisions of China Securities Regulatory Commission and Shanghai Stock Exchange Listing Rules ("Shanghai Stock Exchange Listing Rules") and seriously performed its governance obligations in line with the requirements of the relevant documents issued by CSRC. The Company has also strictly complied with requirements on corporate governance under the Hong Kong Listing Rules.

The Company will continue to be in strict compliance with the requirements of the relevant regulatory bodies including the CSRC, Beijing Securities Regulatory Bureau, the Shanghai Stock Exchange and the Hong Kong Stock Exchange. The Company will consistently optimize every measures of corporate governance in compliance with regulations and take initiatives to further enhance the corporate governance and internal control system of the Company. Aiming at protecting the interest of shareholders of the Company, the Company will maintain consistent, stable and sound developments and to use satisfactory performance results to return to the society and its shareholders. The Company will also continue to comply with requirements on corporate governance under the Hong Kong Listing Rules.

Since its incorporation, and in relation to its controlling shareholder, the Company has completely separated its business, staff, assets, organization and finance from the controlling shareholder. The Company has independent and complete business and its own operations.

(2) Material Acquisitions

On July 29, 2010, the Company, Rio Tinto plc and Rio Tinto Iron Ore Atlantic Limited, an affiliate of Rio Tinto plc, entered into a Joint Development Agreement for the development and operation of a premium open-pit iron ore mine located in Guinea, West Africa (the "Simandou Project"). Pursuant to the agreement, the Company (via its subsidiary) will acquire by stages up to 47% equity interests in a joint-venture company to be incorporated by Rio Tinto, to which Rio Tinto will transfer its entire 95% equity interest in the Simandou Project. The total consideration of USD1.35 billion (equivalent to approximately RMB9.17 billion) for the acquisition will be paid in installments by the Company fulfilling the sole funding obligation for the development of the Simandou Project over a period of approximately 3 to 5 years. Such project is in active progress.

The Company had no other material acquisition that is required to be disclosed during the year.

(3) Trust Arrangement

The Company had no trust arrangement required to be disclosed during the year.

(4) Sub-contracting

The Company had no sub-contracting arrangement required to be disclosed during the year.

(5) Guarantees

In 2004, the Company and Shanxi Aluminum Plant Subbranch, China Construction Bank, entered into a Guarantee Contract, whereby the Company provided joint liability guarantee for the loan of RMB1.02 billion made to Shanxi Huaze, a subsidiary controlled by the Company. The guarantee would expire following two years upon the expiry of the debt performance period under the principal contract.

On October 25, 2010, the Board of the Company approved the resolution relating to the provision of counter guarantee for the guarantee provided by Chinalco in respect of the Simandou Project located in Guinea, west Africa.

Save as aforesaid, there was no other external guarantees provided by the Company which are required to be disclosed.

(6) Fund Management

There was no fund under the management of third parties that is required to be disclosed during the year.

(7) Performance of Undertakings

The undertakings made by Chinalco during or subsisting in the year were as follows:

Upon the offering of A shares, Chinalco's undertakings were principally related to the non-competition undertakings of Chinalco, including:

(1) Chinalco will arrange to dispose of its aluminum fabrication business, or the Company will acquire the aluminum fabrication business from Chinalco, and acquire the pseudo-boehmite business from Chinalco within a certain period of time following the listing of the Company's A shares.

(2) the injection of quality aluminum assets (including but not limited to assets and equity interest of its aluminum, aluminum fabrication and other businesses) as and when appropriate, in order to further optimize the Company's industry chain.

To date, both Shanxi Aluminum Plant, a wholly-owned company of Chinalco, and the Shandong branch of the Company had minor activities in the pseudo-boehmite market. However, as the pseudo-boehmite business was not among the principal activities of the Company, the revenue from this segment made up an insignificant portion of the Company's revenue. Further, the sales locations of pseudo-boehmite of Shandong branch and Shanxi Aluminum Plant are different. In this regard, the competition between Chinalco and the Company in respect of pseudo-boehmite business is limited.

As a result of the immature market conditions, Chinalco proposes not to inject the pseudo-boehmite business to the Company's portfolio for the time being.

When condition becomes mature, the Chinalco will continue to duly complete the matters undertaken within the time limit.

(8) Punishments and Rectifications Involved by Listed Companies and Their Directors, Supervisors, Senior Management, Shareholders, and De Facto Controllers

During the year, the Company and its Directors, Supervisors, senior management, shareholders, and de facto controller were not under any investigation, administrative punishment, public criticism from CSRC and public censures from stock exchanges.

(9) Explanation of Other Significant Events

Non-public Offering of A Shares

On June 30, 2009, the resolution of proposed non-public offering of A shares to no more than ten target subscribers was approved by the Board of the Company, details of which are as follows: not more than 1 billion RMB denominated ordinary shares (A shares) would be issued. The issue price of A shares to be offered will be not less than 90% of the average trading price of the A shares of the Company in the 20 trading days immediately preceding the pricing determination date. The implementation of the proposal was approved by the shareholders at the extraordinary general meeting, Class Meeting for Holders of A Shares and Class Meeting for Holders of H Shares held on August 24, 2009. Period of validity of the resolutions which approved the offering: 12 months from the date of the resolutions passed at the extraordinary general meeting, Class Meeting for Holders of A Shares and Class Meeting for Holders of H Shares. The non-public offering of A shares of the Company was also approved by the China Securities Regulatory Commission ("CSRC") on April 12, 2010, with a validity period of six months starting from the approval date. Since the resolution related to the A Share Issue approved on the general meeting had been expired on August 23, 2010, at the extraordinary general meeting held on the same date, it was considered and approved that the validity period of relevant resolutions and authorisation in respect of the non-public offering of A shares of the Company be extended for one year to August 22, 2011. Due to the proposed adjustments in the issue price and use of proceeds, the Board of the Company resolved on January 30, 2011 a new issue plan and a new extraordinary general meeting, Class Meeting for Holders of A Shares and Class Meeting for Holders of H Shares, and upon approval by the shareholders, the Company will apply to CSRC for issue of not more than 1 billion A shares

Significant Events (Continued)

A New Round of Negotiation for Aurukun Project

Since entering into a development agreement ("Development Agreement") between the Company and the Queensland State Government of Australia ("Queensland State Government") for the project of exploration and development of the Aurukun bauxite resources on March 23, 2007, there had been apparent adverse changes in the globe aluminum industry. Under the framework of the Development Agreement for exploration and development, the progress of the Aurukun Project had been hindered by various unfavorable factors. To resolve the issue, both the Company and the Queensland State Government entered into active negotiations and both parties agreed that the Development Agreement be automatically terminated after its expiration date (i.e. June 30, 2010). Upon the termination of the Development Agreement, the Group has entered into a new round of negotiations with the Queensland State Government in respect of the project of exploration and development of the Aurukun bauxite resources.

Details of the project of exploration and development of the Aurukun bauxite resources are set out in Note 8 to the consolidated financial statements.

Connected Transactions

The connected transactions (as defined in the Hong Kong Listing Rules and the Listing Rules of the Shanghai Stock Exchange) undertaken by the Group during the year should comply with and be in line with relevant requirements as required by Hong Kong Listing Rules and the Listing Rules of Shanghai Stock Exchange.

Continuing Connected Transactions

Set out below are the annual caps for the continuing connected transactions and the actual transaction amounts incurred by the Group in 2010. For the year ended December 31, 2010, the continuing connected transactions of the Company were calculated on a aggregated basis as follows

Transaction	**Aggregated consideration (For the year ended December 31, 2010)** *(in RMB million)*	**Percentage of turnover (For the year ended December 31, 2010)**	**Annual cap for the year 2010** *(in RMB million)*
Transactions Expenditure:			
(A) Comprehensive Social and Logistics Services Agreement (Counterparty: Chinalco)	264	0.22%	880
(B) Mutual Supply Agreement (Counterparty: Chinalco)	4,384	3.62%	4,450

PUBLIC FILE 201

Connected Transactions (Continued)

Transaction	Aggregated consideration (For the year ended December 31, 2010) *(in RMB million)*	Percentage of turnover (For the year ended December 31, 2010)	Annual cap for the year 2010 *(in RMB million)*
(C) Provision of Aluminum and Aluminum Alloy Ingots and Aluminum Fabrication Services Agreement (Counterparty: Xinan Aluminum (Group) Company Limited ("Xinan Aluminum"))	2,473	2.04%	4,200
(E) Sale and Purchase Agreement (Counterparty: Fujian Nanping Aluminum Company Limited ("Nanping Aluminum"[4]))	66	0.05%	450
(F) Provision of Alumina and Aluminum Products Agreement (Counterparty: Guangxi Investment Group Co., Ltd. ("Guangxi Investment"[7]))	1,321	1.09%	1,500
(I) Mineral Supply Agreement (Counterparty: Chinalco)	12	0.01%	890

PUBLIC FILE 200

Transaction	Aggregated consideration (For the year ended December 31, 2010) (in RMB million)	Percentage of turnover (For the year ended December 31, 2010)	Annual cap for the year 2010 (in RMB million)
(J) Provision of Engineering, Construction and Supervisory Services Agreement (Counterparty: Chinalco)	3,503	2.90%	13,500
(K) Land Use Rights Leasing Agreement (Counterparty: Chinalco)	572	0.47%	1,100
(L) Leases (Counterparty: Chinalco)	72	0.06%	110
(M) Framework Agreement for Aluminum Products Fabrication Services(5) (Counterparty: Chinalco)	138	0.11%	N/A
Revenue:			
(B) Mutual Supply Agreement (Counterparty: Chinalco)	6,402	5.29%	9,500
(C) Provision of Aluminum and Aluminum Alloy Ingots and Aluminum Fabrication Services Agreement (Counterparty: Xinan Aluminum)	4,453	3.68%	8,000

Connected Transactions (Continued)

Transaction	Aggregated consideration (For the year ended December 31, 2010) (in RMB million)	Percentage of turnover (For the year ended December 31, 2010)	Annual cap for the year 2010 (in RMB million)
(D) Long Term Agreement for Sale and Purchase of Alumina (Counterparty: Nanping Aluminum[4])	538	0.44%	1,500
(F) Provision of Alumina and Aluminum Products Agreement (Counterparty: Guangxi Investment[3])	1,156	0.96%	1,500
(G) Agreement for Sale and Purchase of Aluminum Products (Counterparty: Guizhou Provincial Materials Development and Investment Corporation ("Guizhou Development"[3]))	—	—	500
(H) Long Term Sale and Purchase Agreement for Alumina (Counterparty: Shanxi Guan Lv Company Limited) ("Guan Lv")	30	0.02%	500

Notes:

1. *The independent non-executive directors of the Company have reviewed the above transactions and confirmed:*

   (i) *the transactions have been entered into in the ordinary and usual course of business of the Company;*

   (ii) *the terms of the transactions are fair and reasonable as far as the Company's shareholders are concerned;*

   (iii) *the transactions have been entered into on normal commercial terms or, where there are not sufficient comparable transactions to judge whether they are on normal commercial terms, they are on terms no less favourable than those available from or offered to independent third parties; and*

   (iv) *the transactions have been undertaken in accordance with the terms of relevant agreements governing such transactions.*

2. *Pursuant to Rule 14A.38 of the Hong Kong Listing Rules, the Board engaged the auditor of the Company to conduct a limited assurance engagement on the above continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Over Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has reported their conclusion to the Board stating that:*

   a. *nothing has come to the auditor's attention that causes the auditor to believe that the disclosed continuing connected transactions have not been approved by the Company's board of directors.*

   b. *for transactions involving the provision of goods or services by the Group, nothing has come to the auditor's attention that causes the auditor to believe that the transactions were not, in all material respects, in accordance with the pricing policies of the Company.*

   c. *nothing has come to the auditor's attention that causes the auditor to believe that the transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions*

   d. *with respect to the aggregate amount of each of the continuing connected transactions set out above, nothing has come to the auditor's attention that causes the auditor to believe that such continuing connected transactions have exceeded the maximum aggregate annual value disclosed in the previous announcement dated December 30, 2009 made by the Company in respect of each of the disclosed continuing connected transactions.*

3. *Guangxi Investment and Guizhou Development, the promoters of the Company, are no longer connected persons of the Company upon amendments of the Hong Kong Listing Rules on June 3, 2010, whereby a promoter is no longer defined as a connected person of a listed issuer.*

   The aggregated consideration for the year ended December 31, 2010 do not exclude transactions with Guangxi Investment and Guizhou Development from June 3, 2010 to December 31, 2010.

4. *Nanping Aluminum is no longer a connected person of the Company upon dilution of its shareholding in the relevant subsidiary to below 10%.*

5. *For details of continuing connected transaction in respect of aluminum products fabrication services, please refer to section "Continuing Connected Transactions" set out in the "Connected Transactions" in this annual report.*

6. *Certain connected transactions in note 36 to the consolidated financial statements also constitute continuing connected transactions (as defined in Chapter 14A of the Hong Kong Listing Rules) pursuant to the Hong Kong Listing Rules*

Further information on the continuing connected transactions of the year

1. Continuing Connected Transactions

(A) Comprehensive Social and Logistics Services Agreement

Date

November 5, 2001

Parties:

Chinalco as provider

the Company as recipient

Existing term:

3 years expiring on December 31, 2012

Nature of Transaction:

(i) Social Welfare Services: public security and fire fighting services, education and training, schools, hospitals and hygiene, cultural and physical education, newspapers and magazines publication and broadcasting, printing and other services; and

(ii) Logistics Services: property management, environmental and hygiene, greenery, nurseries and kindergartens, sanatoriums; canteens, guest-houses, offices, public transportation, retirement management and other services.

Price determination:

the services will be provided: (i) according to state-prescribed price; (ii) if there is no state-prescribed price but there is a state-guidance price, then according to the state-guidance price; and (iii) if there is neither a state-prescribed price nor a state-guidance price, then according to the market price; and (iv) if none of the above is applicable, then according to the contractual price.

Payment term:

monthly payment

(B) Mutual Supply Agreement

Date:

November 5, 2001

Parties:

Chinalco as both provider and recipient

the Company as both provider and recipient

Existing term:

3 years expiring on December 31, 2012

PUBLIC FILE 195

Nature of Transaction:

(A) Supplies and Ancillary Services Provided by Chinalco to the Company:

(i) Production Supplies: carbon ring, carbon products, cement, coal, oxygen, bottled water, steam, fire brick, aluminum fluoride, cryolite, lubricant, resin, clinker, fabricated aluminum and other similar supplies;

(ii) Transportation and Loading Services: vehicle transportation, loading services, railway transportation and other loading services; and

(iii) Supporting Services and Ancillary Production Services: communications, repair, processing and fabrication, quality testing, project construction, environmental protection, road maintenance and other similar services

(B) Supplies and Ancillary Services Provided by the Company to Chinalco:

(i) Production Supplies: alumina, primary aluminum, scrap materials, pitch and other similar supplies

(ii) Supporting Services and Ancillary Production Services: electricity supply, gas, heat and water, repair, measurement, quality testing, spare parts, production transportation, steam and other similar services

Price determination:

same as in the Comprehensive Social and Logistics Services Agreement

Payment term:

cash on delivery

(C) Provision of Aluminum and Aluminum Alloy Ingots and Aluminum Fabrication Services Agreement

Date:

October 20, 2008

Parties:

Xinan Aluminum as both provider and recipient

the Company as both provider and recipient

Existing term:

3 years expiring on December 31, 2012

Nature of Transaction:

(i) sale of products by the Company and its branches and relevant subsidiaries to Xinan Aluminum; such products include, among other things, primary aluminum and aluminum alloy ingots

(ii) purchase of products and services by Chalco Southwest Aluminum Co., Ltd. ("Chalco Southwest Aluminum"), a subsidiary of the Company, from Xinan Aluminum; such products and services include, among other things: aluminum alloy ingots, provision of equipment, water, electricity and gas; provision of maintenance and repair services; provision of unloading, transportation and storage services

(iii) sale of products by Chalco Southwest Aluminum to Xinan Aluminum, such products include, among other things: aluminum alloy sheets or rolls, aluminum fabrication scraps

(iv) purchase of products by CIT, a subsidiary of the Company, from Xinan Aluminum, such products mainly include aluminum fabrication products

Price determination:

same as in the Comprehensive Social and Logistics Services Agreement

Payment term:

cash on delivery

(D) Long Term Agreement for Sale and Purchase of Alumina

Date:

October 9, 2004

Parties:

Nanping Aluminum as recipient*

the Company as provider

Existing term:

3 years expiring on December 31, 2012

Nature of Transaction:

purchase of alumina, primary aluminum and aluminum ingots

Price determination:

market price

Payment term:

cash on delivery

* *Nanping Aluminum is no longer a connected person of the Company upon dilution of its shareholding in the relevant subsidiary to below 10%.*

(E) Sale and Purchase Agreement

Date:

August 27, 2008

Parties:

Nanping Aluminum as provider*

the Company as recipient

Existing term.

3 years expiring on December 31, 2012

Nature of Transaction:

purchase of alumina plates and provision of fabrication services

Price determination:

market price

Payment term:

cash on delivery

* *Nanping Aluminum is no longer a connected person of the Company upon dilution of its shareholding in the relevant subsidiary to below 10%.*

(F) Provision of Alumina and Aluminum Products Agreement

Date:

October 20, 2008

Parties:

Guangxi Investment (for itself and/or on behalf of its associates and subsidiaries) as provider and recipient; the Company (for itself and/or on behalf of its relevant subsidiaries) as provider and recipient

Existing term:

3 years expiring on December 31, 2012

Nature of Transaction:

(i) sale of primary aluminum and alumina by the Company and its branches and relevant subsidiaries to Guangxi Investment and/or its associates or subsidiaries

(ii) purchase of alumina by the Company from Guangxi Investment and/or its associates and subsidiaries

Price determination:

same as in the Comprehensive Social and Logistics Services Agreement

Payment term:

cash on delivery

(G) Agreement for Sale and Purchase of Aluminum Products

Date:

August 27, 2008

Parties:

Guizhou Development as recipient

the Company as provider

Existing term:

3 years expiring on December 31, 2012

Nature of Transaction:

sale of primary aluminum

Price determination:

market price

Payment term:

cash on delivery

(H) Long Term Sale and Purchase Agreement for Alumina

Date.

August 22, 2006

Parties:

Guan Lv as recipient

the Company as provider

Existing term:

3 years expiring on December 31, 2012

Nature of Transaction:

alumina and aluminum alloy ingots

Price determination:

market price

Payment term:

cash on delivery

(I) Mineral Supply Agreement

Date:

November 5, 2001

Parties:

Chinalco as supplier

the Company as recipient

Existing term:

3 years expiring on December 31, 2012

Nature of Transaction:

supply of bauxite and limestone; before meeting the Company's bauxite and limestone requirements, Chinalco is not entitled to provide bauxite and limestone to any third parties

Price determination:

(1) for the supplies of bauxite and limestone from Chinalco's own mining operations, at reasonable costs incurred in providing the same, plus not more than 5% of such reasonable costs (a buffer for surges in the price level and labour costs);

(2) for the supplies of bauxite and limestone from jointly operated mines, at contractual price paid by Chinalco to such third parties

Payment term:

cash on delivery

(J) Provision of Engineering, Construction and Supervisory Services Agreement

Date:

November 5, 2001

Parties:

Chinalco as provider

the Company as recipient

Existing term:

3 years expiring on December 31, 2012

Nature of Transaction:

metallurgical engineering design, project construction and supervisory services

Price determination:

services are provided according to state guidance price, and if none, market price

Payment term:

10 to 20% before service; a maximum of 70% during provision of service; and 10 to 20% upon successful provision of service.

(K) Land Use Rights Leasing Agreement

Date:

November 5, 2001

Parties:

Chinalco as landlord

the Company as tenant

Term:

50 years expiring on June 30, 2051

As previously disclosed in the letter from Taifook Capital Limited, the then independent financial adviser, to the Independent Board Committee and independent shareholders in relation to certain continuing connected transactions dated December 27, 2006 ("Taifook Letter"), it is in the interests of the Company and the independent shareholders to have a longer lease term of the land to minimize the disruption of the Group's production and business operations arising from relocation which may be difficult and impracticable given (i) the size of the leased land and the facilities erected thereon; and (ii) the consideration resources to be expended in establishing new production plants and related facilities. The Directors are of the view that it is normal business practice for contracts of this type to be of such duration.

Properties:

470 pieces or parcels of land covering an aggregate area of approximately 61.22 million square meters, which are located in the PRC

Price determination:

the rent shall be reviewed every three years at a rate not higher than prevailing market rent as confirmed by an independent valuer

Payment term:

monthly payment

(L) Leases

Buildings Leasing Agreement

Date:

November 5, 2001

Parties:

Chinalco as landlord and tenant

the Company as landlord and tenant

Term:

20 years expiring on June 30, 2020

As previously disclosed in the Taifook Letter, a longer lease term is essential to the smooth operations of the Group's business. The Directors are of the view that it is normal business practice for contracts of this type to be of such duration.

Properties:

59 buildings with an aggregate gross floor area of 62,189 square meters leased to Chinalco, and 100 buildings with an aggregate gross floor area of 273,637 square meters leased to the Company

Price determination:

the rent shall be reviewed every two years and shall not be higher than prevailing market rent as confirmed by an independent valuer

Payment term:

monthly payment

Head Office Leasing Agreement

Date:

March 5, 2009

Parties:

Chinalco as landlord

the Company as tenant

Term:

3 years expiring on October 15, 2011

Nature of Transaction:

leasing of head office from Chinalco

Price determination:

the rent shall be reviewed every three years and shall not be higher than the prevailing market rent as determined by an independent valuer

Payment term:

prepay semi-annually

(M) Framework Agreement for Aluminum Products Fabrication Services

Shandong Aluminum, a wholly-owned subsidiary of Chinalco, has been providing aluminum products fabrication services to the Shandong branch of the Company since the financial year 2009. In addition, Qinghai Aluminum Co., Ltd.*, a wholly-owned subsidiary of Chinalco, has been providing aluminum products fabrication services to Chalco Ruimin Company Limited, a subsidiary of the Company, since the financial year 2010. In 2009 and 2010, an aggregate of approximately RMB51 million and RMB138 million were paid by the relevant branch and subsidiary of the Company to the two relevant subsidiaries of Chinalco for the provision of aluminum products fabrication services respectively. To better regulate the aluminum products fabrication services to be provided by Chinaclo, the Company and Chinalco executed the Framework Agreement For Aluminum Products Fabrication Services on 28 February 2011. It is expected that the annual caps for the two years ended December 31, 2012 will be approximately RMB240 million and RMB240 million, respectively.

For details of such continuing connected transaction, please refer to the Company's announcement dated February 28, 2011.

Connected Transaction

Disposal of 5% Equity Interests in CICL

The 5% equity interests in China Aluminum International Construction Limited (hereafter as "CICL") held by China Aluminum International Trading Co., Ltd.* (中铝國際貿易有限公司) (hereafter as "CIT"), a subsidiary of the Company, was listed on China Beijing Equity Exchange Group (hereafter as "CBEX") on November 22, 2010 for open bidding by public bidders. Chinalco successfully bid the equity interests through CBEX on December 20, 2010 and entered into an agreement with CIT as vendor and with Chinalco as purchaser for the disposal of 5% equity interests in CICL to Chinalco for a consideration of RMB156,986,000. For details of such connected transaction, please refer to the Company's announcement dated December 20, 2010.

Joint Investment in Shanxi Jiexiu Xinyugou Coal Industry (Group) Corporation with Shanxi Aluminum Plant

The Company and Shanxi Aluminum Plant, a subsidiary of Chinalco and a connected person of the Company, jointly invested in the establishment of Shanxi Jiexiu Xinyugou Coal Industry (Group) Corporation (hereafter as "Coal Industry (Group)") together with Shanxi Jiexiu Luxin Coal Gasification Company Limited* (hereafter as "Luxin Company"). The Company and Shanxi Aluminum Plant invested approximately RMB537 million and RMB253 million in Coal Industry (Group) and hence hold approximately 34% and 16% equity interests, respectively, in Coal Industry (Group) while the remaining equity interests are held by capital contributors such as Luxin Company. As of December 31, 2010, the transaction was in progress. For details of such connected transaction, please refer to the Company's announcement dated October 27, 2010.

Independent Auditor's Report

PRICEWATERHOUSECOOPERS

羅兵咸永道會計師事務所

PricewaterhouseCoopers
22nd Floor, Prince's Building
Central, Hong Kong

To the shareholders of Aluminum Corporation of China Limited

(incorporated in the People's Republic of China with limited liability)

We have audited the consolidated financial statements of Aluminum Corporation of China Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 121 to 272, which comprise the consolidated and company statements of financial position as of December 31, 2010, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

Independent Auditor's Report (Continued)

Auditor's Responsibility *(Continued)*

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as of December 31, 2010, and of the Group's profit and cash flows for the year then ended in accordance with International Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance

Other Matters

This report, including the opinion, has been prepared for and only for you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, February 28, 2011

PUBLIC FILE

As of December 31, 2010
(Amounts expressed in thousands of RMB unless otherwise stated)

STATEMENTS OF FINANCIAL POSITION

		Group		Company	
	Note	**December 31, 2010**	December 31, 2009	**December 31, 2010**	December 31, 2009
ASSETS					
Non-current assets					
Intangible assets	7	**3,033,875**	3,049,475	**2,793,212**	2,792,744
Property, plant and equipment	8	**90,778,672**	89,661,081	**57,639,389**	55,969,575
Non-current assets held for sale	8(a)	**40,965**	—	**40,965**	—
Land use rights and leasehold land	9	**2,180,946**	1,943,547	**754,917**	628,099
Investments in subsidiaries	10	**—**	—	**13,450,264**	12,926,415
Investments in jointly controlled entities	11(a)	**990,568**	685,459	**805,855**	734,530
Investments in associates	11(b)	**1,212,608**	197,070	**60,000**	30,000
Available-for-sale financial assets	12	**44,878**	56,313	**7,000**	7,000
Deferred income tax assets	13	**1,410,781**	1,647,240	**940,422**	1,199,094
Other non-current assets	14	**304,199**	401,127	**197,622**	248,156
		99,997,492	97,641,312	**76,689,646**	74,535,613

STATEMENTS OF FINANCIAL POSITION (Continued)

As of December 31, 2010
(Amounts expressed in thousands of RMB unless otherwise stated)

		Group		Company	
	Note	**December 31, 2010**	December 31, 2009	**December 31, 2010**	December 31, 2009
Current assets					
Non-current assets held for sale	8(a)	**621,705**	—	—	—
Inventories	15	**21,780,047**	20,423,227	**11,244,601**	10,586,033
Trade and notes receivable	16	**3,269,973**	3,203,082	**2,590,032**	2,924,286
Other current assets	17	**6,139,969**	4,848,744	**5,771,661**	4,086,323
Financial assets at fair value through profit or loss		**17,208**	64	—	—
Restricted cash	18	**462,935**	365,409	**57,121**	31,418
Time deposits	18	**50,000**	91,941	—	—
Cash and cash equivalents	18	**8,982,710**	7,401,410	**5,343,707**	4,350,873
		41,324,547	36,333,877	**25,007,122**	21,978,933
Total assets		**141,322,039**	133,975,189	**101,696,768**	96,514,546

As of December 31, 2010
(Amounts expressed in thousands of RMB unless otherwise stated)

STATEMENTS OF FINANCIAL POSITION (Continued)

		Group		Company	
	Note	**December 31, 2010**	December 31, 2009	**December 31, 2010**	December 31, 2009
EQUITY					
Equity attributable to equity holders of the Company					
Share capital	19	**13,524,488**	13,524,488	**13,524,488**	13,524,488
Other reserves	20	**19,553,623**	19,083,252	**20,766,550**	20,616,530
Retained earnings					
— proposed final dividend	34	**154,179**	—	**154,179**	—
— others	20	**18,348,502**	17,792,998	**17,423,738**	17,206,139
		51,580,792	50,400,738	**51,868,955**	51,347,157
Non-controlling interests		**5,606,063**	5,180,419	**—**	—
Total equity		**57,186,855**	55,581,157	**51,868,955**	51,347,157
LIABILITIES					
Non-current liabilities					
Borrowings	21	**27,723,867**	37,804,482	**17,776,480**	26,531,501
Deferred income tax liabilities	13	**—**	34,535	**—**	—
Other non-current liabilities	22	**677,770**	525,154	**454,960**	320,472
		28,401,637	38,364,171	**18,231,440**	26,851,973

PUBLIC FILE

STATEMENTS OF FINANCIAL POSITION (Continued)

As of December 31, 2010
(Amounts expressed in thousands of RMB unless otherwise stated)

		Group		Company	
	Note	**December 31, 2010**	December 31, 2009	**December 31, 2010**	December 31, 2009
Current liabilities					
Financial liabilities at fair value through profit or loss		**8,559**	47,855	**4,876**	29,952
Borrowings	21	**41,719,869**	25,819,757	**24,919,636**	11,231,966
Other payables and accrued expenses	23	**7,533,069**	7,927,988	**4,249,757**	4,482,268
Trade and notes payable	24	**6,376,342**	6,172,443	**2,422,104**	2,571,230
Current income tax liabilities		**95,708**	61,818	**—**	—
		55,733,547	40,029,861	**31,596,373**	18,315,416
Total liabilities		**84,135,184**	78,394,032	**49,827,813**	45,167,389
Total equity and liabilities		**141,322,039**	133,975,189	**101,696,768**	96,514,546
Net current (liabilities)/assets	2.1.1	**(14,409,000)**	(3,695,984)	**(6,589,251)**	3,663,517
Total assets less current liabilities		**85,588,492**	93,945,328	**70,100,395**	78,199,130

The accompanying notes are an integral part of these financial statements.

The financial statements on pages 121 to 272 were approved for issue by the Board of Directors on February 28, 2011 and were signed on its behalf.

Xiong Weiping
Director

Luo Jianchuan
Director

PUBLIC FILE

For the year ended December 31, 2010
(Amounts expressed in thousands of RMB unless otherwise stated)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	For the year ended December 31, 2010	2009
Revenue	6	**120,994,847**	70,268,005
Cost of sales		**(113,349,941)**	(69,079,446)
Gross profit		**7,644,906**	1,188,559
Selling and distribution expenses	26	**(1,573,301)**	(1,264,920)
General and administrative expenses	27	**(2,623,740)**	(2,956,506)
Research and development expenses		**(164,235)**	(177,756)
Impairment charge/write-off of property, plant and equipment	8	**(701,781)**	(623,791)
Other income	28(a)	**328,853**	151,142
Other gains, net	28(b)	**491,024**	403,836
Operating profit/(loss)		**3,401,726**	(3,279,436)
Finance income	29	**91,109**	125,139
Finance costs	29	**(2,586,293)**	(2,262,964)
Share of profit/(loss) of jointly controlled entities	11(a)	**233,784**	(50,392)
Share of profit of associates	11(b)	**240,028**	77,056
Profit/(loss) before income tax		**1,380,354**	(5,390,597)
Income tax (expense)/benefit	32	**(411,216)**	711,003
Profit/(loss) for the year		**969,138**	(4,679,594)
Other comprehensive income, net of tax:			
Reclassification of cumulated fair value changes on available-for-sale financial assets upon disposal		**(1,155)**	—
Fair value changes on available-for-sale financial assets		**—**	(1,374)
Currency translation differences		**40,833**	115,427

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (Continued)

For the year ended December 31, 2010
(Amounts expressed in thousands of RMB unless otherwise stated)

	Note	For the year ended December 31, 2010	2009
Total other comprehensive income for the year, net of tax		**39,678**	114,053
Total comprehensive income/(loss) for the year		**1,008,816**	(4,565,541)
Profit/(loss) for the year attributable to:			
Equity holders of the Company		**778,008**	(4,642,894)
Non-controlling interests		**191,130**	(36,700)
		969,138	(4,679,594)
Total comprehensive income/(loss) for the year attributable to:			
Equity holders of the Company		**818,127**	(4,528,309)
Non-controlling interests		**190,689**	(37,232)
		1,008,816	(4,565,541)
Basic and diluted earnings/(losses) per share for profit/(loss) attributable to the equity holders of the Company during the year *(expressed in RMB per share)*	33	**0.06**	(0.34)

The accompanying notes are an integral part of these financial statements.

	Note	For the year ended December 31, 2010	2009
Dividends	34	**154,179**	—

PUBLIC FILE 174

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended December 31, 2010
(Amounts expressed in thousands of RMB unless otherwise stated)

	Attributable to equity holders of the Company									Non-controlling interests	Total equity
		Capital reserves (Note 20)									
	Share capital (Note 19)	Share premium	Other capital reserves	Statutory surplus reserve (Note 20)	Special reserve (Note 20)	Currency translation differences	Investment revaluation reserve	Retained earnings	Total		
Balance as of January 1, 2009	13,524,488	12,929,215	428,833	5,799,232	34,227	(170,353)	1,556	22,435,892	54,983,090	5,198,340	60,181,430
Comprehensive income/(loss)											
Loss for the year	–	–	–	–	–	–	–	(4,642,894)	(4,642,894)	(36,700)	(4,679,594)
Other comprehensive income/(loss):											
Fair value changes on available-for-sale financial assets - gross	–	–	–	–	–	–	(992)	–	(992)	(626)	(1,618)
Fair value changes on available-for-sale financial assets - tax effect	–	–	–	–	–	–	150	–	150	94	244
Currency translation differences	–	–	–	–	–	115,427	–	–	115,427	–	115,427
Total other comprehensive income/(loss)	–	–	–	–	–	115,427	(842)	–	114,585	(532)	114,053
Total comprehensive income/(loss)	–	–	–	–	–	115,427	(842)	(4,642,894)	(4,528,309)	(37,232)	(4,565,541)
Transactions with owners:											
Release of deferred government grants	–	–	3,767	–	–	–	–	–	3,767	2,274	6,041
Acquisition of and capital injection from non-controlling interests	–	(42,575)	–	–	–	–	–	–	(42,575)	55,648	13,073
Acquisition of subsidiaries under common control (Note 5)	–	(37,755)	–	–	–	–	–	–	(37,755)	–	(37,755)
Increase in reserve	–	–	–	–	18,111	–	–	–	18,111	–	18,111
Share of reserve of an associate	–	–	–	–	4,409	–	–	–	4,409	10,796	15,205
Dividends paid to non-controlling interests	–	–	–	–	–	–	–	–	–	(49,407)	(49,407)
Total transactions with owners	–	(80,330)	3,767	–	22,520	–	–	–	(54,043)	19,311	(34,732)
Balance as of December 31, 2009	13,524,488	12,848,885	432,600	5,799,232	56,747	(54,926)	714	17,792,998	50,400,738	5,180,419	55,581,157

PUBLIC FILE 175

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (Continued)

For the year ended December 31, 2010
(Amounts expressed in thousands of RMB unless otherwise stated)

	Attributable to equity holders of the Company									Non-controlling interests	Total equity
		Capital reserves *(Note 20)*										
	Share capital *(Note 19)*	Share premium	Other capital reserves	Statutory surplus reserve *(Note 20)*	Special reserve *(Note 20)*	Currency translation differences	Investment revaluation reserve	Retained earnings	Total		
Balance as of January 1, 2010	13,524,488	12,848,885	432,600	5,799,232	56,747	(54,926)	714	17,792,998	50,400,738	5,180,419	55,581,157
Comprehensive income/(loss)											
Profit for the year	–	–	–	–	–	–	–	778,008	778,008	191,130	969,138
Other comprehensive income/(loss):											
Reclassification of cumulated fair value changes on available-for-sale financial assets upon disposal - gross	–	–	–	–	–	–	(851)	–	(851)	(519)	(1,370)
Reclassification of cumulated fair value changes on available-for-sale financial assets upon disposal - tax effect	–	–	–	–	–	–	137	–	137	78	215
Currency translation differences	–	–	–	–	–	40,833	–	–	40,833	–	40,833
Total other comprehensive income/(loss)	–	–	–	–	–	40,833	(714)	–	40,119	(441)	39,678
Total comprehensive income/(loss)	–	–	–	–	–	40,833	(714)	778,008	818,127	190,689	1,008,816
Transactions with owners:											
Release of deferred government grants	–	–	88,769	–	–	–	–	–	88,769	4,259	93,028
Acquisition of non-controlling interests	–	(1,366)	–	–	–	–	–	–	(1,366)	1,366	–
Capital injection from non-controlling interests	–	–	–	–	–	–	–	–	–	203,100	203,100
Partial disposal of interest in a subsidiary *(Notes 10 (a))*	–	–	258,335	–	(806)	–	–	–	257,529	112,202	369,731
Increase in reserve	–	–	–	–	17,431	–	–	–	17,431	–	17,431
Share of reserve of an associate	–	–	357	–	(793)	–	–	–	(436)	(2,704)	(3,140)
Appropriation of statutory surplus reserve	–	–	–	68,325	–	–	–	(68,325)	–	–	–
Dividend paid to non-controlling interests	–	–	–	–	–	–	–	–	–	(83,268)	(83,268)
Total transactions with owners	–	(1,366)	347,461	68,325	15,832	–	–	(68,325)	361,927	234,955	596,882
Balance as of December 31, 2010	13,524,488	12,847,519	780,061	5,867,557	72,579	(14,093)	–	18,502,681	51,580,792	5,606,063	57,186,855

The accompanying notes are an integral part of these financial statements.

PUBLIC FILE 172

For the year ended December 31, 2010
(Amounts expressed in thousands of RMB unless otherwise stated)

CONSOLIDATED CASH FLOW STATEMENT

	Note	For the year ended December 31, 2010	2009
Net cash generated from/(used in) operating activities	35	**7,103,859**	(705,954)
Cash flows used in investing activities			
Purchases of intangible assets	7	**(7,099)**	(14,618)
Purchases of property, plant and equipment		**(8,325,947)**	(9,597,274)
Purchases of land use rights and leasehold land		**(2,937)**	(260,670)
Proceeds from disposal of property, plant and equipment		**233,007**	38,503
Proceeds from partial disposal of a subsidiary		**510,783**	—
Deemed disposal - transformation from a subsidiary to an associate	11(b)	**(23,601)**	—
Capital injection to associates	11(b)	**(748,650)**	—
Capital injection to a jointly controlled entity	11(a)	**(71,325)**	(34,001)
Payments of consideration for acquisitions of subsidiaries, net of cash acquired		**—**	(99,354)
Proceeds from disposal of available-for-sale financial assets	12	**158,635**	—
Interest received		**4,879**	4,785
Decrease in time deposits		**47,278**	—
Cash inflow from settlement of futures and option contracts, net	28	**203,237**	458,041
Deposit for investment projects	17	**(849,809)**	—
Refund of deposit for an investment project	17	**269,575**	—
Asset-related government grants received		**385,299**	—
Others		**(43,642)**	27,395
Net cash used in investing activities		**(8,260,317)**	(9,477,193)

CONSOLIDATED CASH FLOW STATEMENT (Continued)

For the year ended December 31, 2010
(Amounts expressed in thousands of RMB unless otherwise stated)

	Note	For the year ended December 31, 2010	2009
Cash flows generated from financing activities			
Installment payment of shares and bonds issuance expenses		**(30,000)**	(62,000)
Issuance of short-term and long-term bonds		**12,694,000**	—
Repayments of short-term bonds		**—**	(5,000,000)
Drawdown of short-term and long-term loans		**34,141,516**	38,057,460
Repayments of shareholder's loans, net		**—**	(456,270)
Repayments of short-term and long-term loans		**(41,195,138)**	(27,644,308)
Capital injection from non-controlling interests		**203,100**	13,073
Dividends paid to non-controlling interests		**(109,974)**	(59,460)
Interest paid		**(2,985,951)**	(3,271,782)
Net cash generated from financing activities		**2,717,553**	1,576,713
Net increase/(decrease) in cash and cash equivalents		**1,561,095**	(8,606,434)
Cash and cash equivalents at beginning of year	18	**7,401,410**	15,983,923
Exchange gains on cash and cash equivalents		**20,205**	23,921
Cash and cash equivalents at end of year	18	**8,982,710**	7,401,410

The accompanying notes are an integral part of these financial statements.

1. General information

Aluminum Corporation of China Limited (中國鋁業股份有限公司) (the "Company") and its subsidiaries (together the "Group") are principally engaged in manufacture and distribution of alumina, primary aluminum and aluminum fabrication products. The Group is also engaged in the development of bauxite related resources, the production, fabrication and distribution of bauxite, carbon and relevant non-ferrous metal products and trading of non-ferrous metal products.

The Company is a joint stock company which was incorporated on September 10, 2001 in the People's Republic of China (the "PRC") with limited liability. The address of its registered office is No. 62 North Xizhimen Street, Haidian District, Beijing, the PRC.

The Company's shares have been listed on The Stock Exchange of Hong Kong Limited and New York Stock Exchange in 2001. The Company also listed its A shares on the Shanghai Stock Exchange ("SSE") in 2007.

These financial statements are presented in Chinese Renminbi ("RMB") unless otherwise stated.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standard Board ("IASB"). In addition, these financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Hong Kong Companies Ordinance.

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets and financial assets and liabilities at fair value through profit and loss (including derivative instruments) and certain properties, plant and equipment, intangible assets and investments in subsidiaries were stated at deemed costs.

2. Summary of significant accounting policies *(Continued)*

2.1 Basis of preparation *(Continued)*

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

2.1.1 Going concern

As of December 31, 2010, the Group's current liabilities exceeded its current assets by approximately RMB14,409 million (2009: RMB3,696 million). The Board of Directors of the Company has considered the Group's available sources of funds as follows:

- The Group's expected net cash inflow from operating activities in 2011;
- Unutilized banking facilities of approximately RMB50,007 million as of December 31, 2010 (Note 3), of which approximately RMB32,692 million are subject to renewal during the next 12 months from the date the Group's financial statements were approved; and
- Other available sources of financing from banks and other financial institutions given the Group's credit history.

In addition, the Group will continue to optimize its fund raising strategy from short, medium and long-term perspectives and to seize the opportunity in the capital markets to take advantage of low interest rates by issuing medium to long-term debts with low financing cost.

After making enquiries, the Board of Directors of the Company believe that the Group and the Company has adequate resources to continue in operational existence for the foreseeable future not less than 12 months from the date these financial statements were approved. The Board of Directors of the Company therefore continue to adopt the going concern basis in preparing these financial statements.

2. Summary of significant accounting policies *(Continued)*

2.1 Basis of preparation *(Continued)*

2.1.2 Changes in accounting policy and disclosures

(a) *New and amended standards adopted by the Group*

The following new standards and amendments to standards are mandatory for the first time for the financial year beginning January 1, 2010.

- IFRS 3 (revised), 'Business combinations', and consequential amendments to IAS 27 (revised), 'Consolidated and separate financial statements', IAS 28, 'Investments in associates', and IAS 31, 'Interests in joint ventures', are effective prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after July 1, 2009.

  The revised standard continues to apply the acquisition method to business combinations but with some significant changes compared with IFRS 3. For example, all payments to purchase a business are recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently re-measured through the statement of comprehensive income. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs are expensed. IFRS 3 (revised) has had no impact to the Group's financial statements as there was no business combination that occurred in the year ended December 31, 2010.

2. Summary of significant accounting policies *(Continued)*

2.1 Basis of preparation *(Continued)*

2.1.2 Changes in accounting policy and disclosures *(Continued)*

(a) New and amended standards adopted by the Group (Continued)

IAS 27 (revised) requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is re-measured to fair value, and a gain or loss is recognized in profit or loss. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. The Group adopted IAS 27 (revised) from January 1, 2010. The adoption of IAS 27 (revised) resulted in recognition of deficit balance of non-controlling interest amounting to RMB62 million for the year ended December 31, 2010

2. Summary of significant accounting policies *(Continued)*

2.1 Basis of preparation *(Continued)*

2.1.2 Changes in accounting policy and disclosures *(Continued)*

(a) *New and amended standards adopted by the Group (Continued)*

- IAS 17 (amendment), 'Leases', deletes specific guidance regarding classification of leases of land, so as to eliminate inconsistency with the general guidance on lease classification. As a result, leases of land should be classified as either finance or operating lease using the general principles of IAS 17, i.e. whether the lease transfers substantially all the risks and rewards incidental to ownership of an asset to the lessee. Prior to the amendment, lease of land which title is not expected to pass to the Group by the end of the lease term was classified as operating lease under "Land use rights and leasehold land", and amortized over the lease term. IAS 17 (amendment) has been applied retrospectively for annual periods beginning January 1, 2010 in accordance with the effective date and transitional provisions of the amendment. The Group has reassessed the classification of unexpired leasehold land and land use rights as of January 1, 2010 on the basis of information existing at the inception of those leases, and recognized the leasehold lands in Hong Kong as finance lease retrospectively. All of the land use rights are amortized or depreciated over time using straight-line method. Except for the inclusion of certain additional disclosure in relation to leasehold lands located in Hong Kong according to the relevant disclosure requirements for financial leases, the adoption of this amendment did not have a significant impact to the Group's financial statements.

2. Summary of significant accounting policies *(Continued)*

2.1 Basis of preparation *(Continued)*

2.1.2 Changes in accounting policy and disclosures *(Continued)*

(a) New and amended standards adopted by the Group (Continued)

- IAS 36 (amendment), 'Impairment of assets', effective January 1, 2010. The amendment clarifies that the largest cash-generating unit (or group of units) to which goodwill should be allocated for the purposes of impairment testing is an operating segment, as defined by paragraph 5 of IFRS 8, 'Operating segments' (that is, before the aggregation of segments with similar economic characteristics). IAS 36 (amendment) has had no impact on the consolidated financial statement of the Group as the cash-generating units and groups of units of the Group to which goodwill was allocated for the purposes of impairment testing are not larger than operating segments.

- IFRS 5 (amendment), 'Non-current assets held for sale and discontinued operations'. The amendment clarificaties that IFRS 5 specifies the disclosures required in respect of non-current assets (or disposal groups) classified as held for sale or discontinued operations. It also clarifies that the general requirement of IAS 1 still apply, in particular paragraph 15 (to achieve a fair presentation) and paragraph 125 (sources of estimation uncertainty) of IAS 1. The adoption of IFRS 5 (amendment) did not result any impact to the Group as the Group's existing policy comply with the requirements under IFRS 5 (amendment).

(Amounts expressed in thousands of RMB unless otherwise stated)

2. Summary of significant accounting policies *(Continued)*

2.1 Basis of preparation *(Continued)*

2.1.2 Changes in accounting policy and disclosures *(Continued)*

(b) *New and amended standards, and interpretations mandatory for the first time for the financial year beginning January 1, 2010 but not currently relevant to the Group.*

IAS1 (amendment)	Presentation of financial statements
IFRS 2 (amendment)	Group cash-settled share-based payment transactions
IFRIC 9	Reassessment of embedded derivatives and IAS 39, Financial instruments: Recognition and measurement
IFRIC 16	Hedges of a net investment in a foreign operation
IFRIC 17	Distribution of non-cash assets to owners
IFRIC 18	Transfers of assets from customers

(c) *New standards, amendments and interpretations have been issued but are not effective for the financial year beginning January 1, 2010 and have not been early adopted.*

- IFRS 9, 'Financial instruments', issued in November 2009 and October 2010 (effective for financial year beginning January 1, 2013). It contains new measurement and classification rules for financial assets. On the basis of financial assets and liabilities it has as of December 31, 2010, it is likely that the adoption will effect the Group's accounting for its financial assets. The Group will adopt IFRS 9 from January 1, 2013.

2. Summary of significant accounting policies *(Continued)*

2.1 Basis of preparation *(Continued)*

2.1.2 Changes in accounting policy and disclosures *(Continued)*

(c) *New standards, amendments and interpretations have been issued but are not effective for the financial year beginning January 1, 2010 and have not been early adopted. (Continued)*

- IFRIC - Int 19, 'Extinguishing financial liabilities with equity instruments', (effective for financial year beginning July 1, 2010). The interpretation clarifies the accounting by an entity when the terms of a financial liability are renegotiated and result in the entity issuing equity instruments to a creditor of the entity to extinguish all or part of the financial liability (debt for equity swap). It requires a gain or loss to be recognized in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued. If the fair value of the equity instruments issued cannot be reliably measured, the equity instruments should be measured to reflect the fair value of the financial liability extinguished. The Group will adopt the interpretation from January 1, 2011.

2. Summary of significant accounting policies *(Continued)*

2.1 Basis of preparation *(Continued)*

2.1.2 Changes in accounting policy and disclosures *(Continued)*

(c) *New standards, amendments and interpretations have been issued but are not effective for the financial year beginning January 1, 2010 and have not been early adopted. (Continued)*

- Amendments to IFRS 7, 'Financial instruments: disclosures'. The amendments were as a result of the May 2010 Improvements (effective for financial year beginning January 1, 2011) and amendments on disclosure requirements of transfers of financial assets released in October 2010 (effective for financial year beginning July 1, 2011), respectively. The May 2010 Improvements clarified certain quantitative disclosures and removed the disclosure requirements on financial assets with renegotiated terms. The amendments on transfers of financial assets clarified and strengthened the disclosure requirements of transfers of financial assets which help users of financial statements evaluating related risk exposures and the effect of those risks on the financial position of the Group. The Group will adopt the amendments to IFRS 7 from January 1, 2011 and January 1, 2012, respectively.

The Group has already commenced an assessment of the related impact of the above revised standards, amendments and interpretations to the Group's financial statements. The Group is not yet in a position to state whether any substantial changes to the Group's accounting policies and presentation of its financial statements will result.

2. Summary of significant accounting policies *(Continued)*

2.2 Consolidation

The consolidated financial statements include the financial statements of the Company and all of its subsidiaries as of December 31.

(a) Merger accounting for business combinations under common control

The consolidated financial statements incorporate the financial statements of the combining entities or businesses in which the common control combination occurs as if they had been combined from the date when the combining entities or businesses first came under the control of the controlling party.

The net assets of the combining entities or businesses are combined using the existing book values from the controlling parties' perspective. No amount is recognized in consideration for goodwill or excess of the acquirers' interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost at the time of the common control combination, to the extent of the continuation of the controlling party's interest. The difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the acquiree is recorded in equity.

The consolidated statement of comprehensive income includes the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under common control, where this is shorter, regardless of the date of the common control combination.

Transaction costs, including professional fees, registration fees, costs of furnishing information to shareholders, costs or losses incurred in combining operations of the previously separate businesses etc., incurred in relation to the common control combination that is to be accounted for by using merger accounting is recognized as an expense in the period in which it is incurred.

2. Summary of significant accounting policies *(Continued)*

2.2 Consolidation *(Continued)*

(b) Acquisition method of accounting for other business combinations

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group, other than business combination under common control. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognizes any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognized directly in the statement of comprehensive income.

(c) Subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

2. Summary of significant accounting policies *(Continued)*

2.2 Consolidation *(Continued)*

(c) Subsidiaries *(Continued)*

Inter-company transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary in the consolidated financial statements to ensure consistency with the policies adopted by the Group.

In the Company's statement of financial position, as permitted under IFRS 1, the investments in subsidiaries acquired prior to January 1, 2008, being the date of transition to IFRS, are stated at deemed cost as required under the previously adopted accounting standards. Subsidiaries acquired after that date are stated at cost less provision for impairment losses (Note 2.9). The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

(d) Transactions with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group ceases to have control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognized in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit and loss.

2. Summary of significant accounting policies *(Continued)*

2.2 Consolidation *(Continued)*

(d) Transactions with non-controlling interests *(Continued)*

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income are reclassified to profit and loss where appropriate.

(e) Jointly controlled entities and associates

A jointly controlled entity is the result of contractual arrangements whereby the Group and other parties undertake an economic activity which is subject to joint control and none of the participating parties has unilateral control over the economic activity.

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights.

Investments in jointly controlled entities/associates acquired are accounted for using the equity method of accounting and are initially recognized at cost

The Group's share of its jointly controlled entities'/associates' post-acquisition profits or losses is recognized in the statement of comprehensive income, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in a jointly controlled entity/associate equals or exceeds its interest in the jointly controlled entity/associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the jointly controlled entity/associate.

2. Summary of significant accounting policies *(Continued)*

2.2 Consolidation *(Continued)*

(e) Jointly controlled entities and associates *(Continued)*

Unrealized gains on transactions between the Group and its jointly controlled entities/associates are eliminated to the extent of the Group's interest in the jointly controlled entities/associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of jointly controlled entities/associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the Company's statement of financial position, the investments in jointly controlled entities/associates are stated at cost less provision for impairment losses, if any. The results of jointly controlled entities/associates are accounted for by the Company on the basis of dividends received and receivable.

2.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Committee that makes strategic decisions.

2. Summary of significant accounting policies *(Continued)*

2.4 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in RMB, which is the Company's functional and the Group's presentation currency

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of comprehensive income.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within 'finance costs, net'. All other foreign exchange gains and losses are presented in the statement of comprehensive income within 'other gains, net'.

2. Summary of significant accounting policies *(Continued)*

2.4 Foreign currency translation *(Continued)*

(c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities for each statement of financial position presented are translated at the closing rate at the balance sheet date;

(ii) income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and

(iii) all resulting exchange differences are recognized in other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to other comprehensive income. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in other comprehensive income are recognized in the statement of comprehensive income as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

2. Summary of significant accounting policies *(Continued)*

2.5 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any replaced parts is derecognized. All other repairs and maintenance are charged in the statement of comprehensive income during the financial period in which they are incurred.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their costs over their estimated useful lives down to their residual values, as follows:

Buildings	10–45 years
Machinery	10–30 years
Transportation facilities	10 years
Office and other equipment	4-5 years

The assets' depreciation method, residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.9).

(Amounts expressed in thousands of RMB unless otherwise stated)

2. Summary of significant accounting policies *(Continued)*

2.5 Property, plant and equipment *(Continued)*

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset and are recognized within 'other gains, net' in the statement of comprehensive income.

Changes in accounting estimate

In July 2010, the Group has reassessed and adjusted the useful lives of certain property, plant and equipment based on the past experience. A summary of the changes in the estimated useful lives of different asset groups is as follows:

	Effect of useful lives
Buildings	Increased 2–8 years
Machinery	
— device tools, electricity distribution line and gas	Decreased 2–4 years
— others	Increased 0–2 years
Office and other equipment	Increased 0–2 years

The effect of this change in accounting estimate was recognized prospectively from July 1, 2010 onward. As a result of this change, depreciation expense for the year ended December 31, 2010 and the net carrying value of property, plant and equipment as of December 31, 2010 are lowered and higher by approximately RMB384 million and RMB384 million, respectively. Annual depreciation expense is expected to be lowered by approximately RMB838 million in next year.

2. Summary of significant accounting policies *(Continued)*

2.6 Construction-in-progress ("CIP")

CIP represents buildings under construction, and plant and equipment pending installation, and is stated at cost less accumulated impairment losses. Cost comprises construction expenditures, other expenditures necessary for the purpose of preparing the CIP for its intended use and those borrowing costs incurred before the assets are ready for their intended use that are eligible for capitalization. CIP is transferred to property, plant and equipment when the CIP are ready for its intended use.

2.7 Intangible assets

(a) Goodwill

Goodwill represents the excess of purchase consideration over the fair value of the Group's share of the net identifiable assets of subsidiaries/jointly controlled entities/associates acquired at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisitions of jointly controlled entities and associates is included in investments in jointly controlled entities and associates respectively. Goodwill is tested for impairment annually or when an indication of impairment exists and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purposes of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose identified according to operating segment.

2. Summary of significant accounting policies *(Continued)*

2.7 Intangible assets *(Continued)*

(b) Mining rights

Mining rights are initially recorded at cost which includes payments of consideration for extraction rights, exploration and other direct costs. Amortization is provided on a straight-line basis according to the shorter of the expiration date of the mining certificate or the mineable period of natural resources. Estimated useful lives of the majority of the mining rights range from 3 to 20 years; others' are not more than 30 years.

(c) Computer software

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over 5 years, their estimated useful lives.

(d) Periodic review of the useful life and amortization method

For intangible assets with finite useful life, the estimated useful life and amortization method are reviewed annually at the end of each year and adjusted when necessary.

2. Summary of significant accounting policies *(Continued)*

2.8 Research and development

Research and development expenditures are classified as research expenditures and development expenditures according to the nature of the expenditures and whether there is significant uncertainty of development activities transforming to assets.

Research expenditures are recognized in current period profit and loss. Development expenditures are recognized as assets when all of the following criteria are met:

(i) it is technically feasible to complete the asset so that it will be available for use or sale;

(ii) management intends to complete the asset and intends and has the ability to use or sell it;

(iii) it can be demonstrated that the asset will generate probable future economic benefits;

(iv) there are adequate technical, financial and other resources to complete the development of the asset and management has the ability to use or sell the asset; and

(v) the expenditure attributable to the asset during its development phase can be reliably measured.

Development expenditures that do not meet the criteria above are recorded in current period profit and loss as incurred. Development expenditures that have been recorded in profit and loss in previous periods will be not recognized as assets in subsequent periods. Capitalized development expenditures are included in property, plant and equipment and intangible assets as appropriate according to their natures.

2. Summary of significant accounting policies *(Continued)*

2.9 Impairment of non-financial assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortization and are tested annually for impairment. Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.10 Financial assets

(a) Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables and available-for-sale. The classification depends on the purpose for which the assets were acquired. Management determines the classification of these assets at initial recognition.

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

2. Summary of significant accounting policies *(Continued)*

2.10 Financial assets *(Continued)*

(a) Classification *(Continued)*

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivables are classified as trade and other receivables in the statement of financial position (Note 2.12).

(iii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

(b) Recognition and measurement

Regular way purchases and sales of financial assets are recognized on the trade-date — the date on which the Group commits to purchase or sell the asset. Investments are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value and transaction costs are expensed in the statement of comprehensive income. Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are carried at amortized cost using the effective interest method.

2. Summary of significant accounting policies *(Continued)*

2.10 Financial assets *(Continued)*

(b) Recognition and measurement *(Continued)*

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the statement of comprehensive income within 'other gains, net', in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognized in the statement of comprehensive income as part of other income when the Group's right to receive payments is established.

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analyzed between translation differences resulting from changes in the amortized cost of the security and other changes in the carrying amount of the security. The translation differences on monetary securities are recognized in profit or loss; translation differences on non-monetary securities are recognized in other comprehensive income. Changes in the fair value of monetary and non-monetary securities classified as available-for-sale are recognized in other comprehensive income.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognized in other comprehensive income are included in the statement of comprehensive income as 'other gains, net'.

Interest on available-for-sale securities calculated using the effective interest method is recognized in the statement of comprehensive income as part of other income. Dividends on available-for-sale equity instruments are recognized in the statement of comprehensive income as 'other income' when the Group's right to receive payments is established.

2. Summary of significant accounting policies *(Continued)*

2.10 Financial assets *(Continued)*

(b) Recognition and measurement *(Continued)*

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets are impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in profit or loss is removed from other comprehensive income and recognized in the statement of comprehensive income. Impairment losses recognized in the statement of comprehensive income on equity instruments are not reversed through the statement of comprehensive income. Impairment testing of trade receivables is described in Note 2.12.

2.11 Inventories

Inventories comprise raw materials, work-in-progress, finished goods, spare parts and packaging materials are stated at the lower of cost and net realizable value. Cost is determined using the weighted average method. Work-in-progress and finished goods, comprise materials, direct labor and an appropriate proportion of all production overhead expenditure (based on normal operating capacity). Borrowing costs are excluded.

Provision for impairment of inventory is usually determined by the excess of cost over net realizable value and recorded in the statement of comprehensive income. Net realizable values are determined based on the estimated selling price less estimated conversion costs, selling expenses and related taxes in the ordinary course of business. Provision for or reversal of impairment of inventory are recognized within 'cost of sales' in the statement of comprehensive income.

2. Summary of significant accounting policies *(Continued)*

2.12 Trade and notes receivable and other receivables

Trade and notes receivable and other receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of these receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and notes receivable and other receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

2.13 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments (including time deposits) with original maturities of three months or less. Bank overdrafts, if any, are shown within borrowings in current liabilities on the statement of financial position.

Time deposits and other cash investments with original maturities of more than three months are excluded from cash and cash equivalents.

2.14 Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost, any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the statement of comprehensive income over the terms of the borrowings using the effective interest method.

2. Summary of significant accounting policies *(Continued)*

2.14 Borrowings *(Continued)*

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.15 Government grants

Government grants are recognized when the Group fulfils the conditions attached to them and there is reasonable assurance that the grant will be received. When the government grant is in the form of monetary assets, they are measured at the actual amount received. When the grant is provided based on a pre-determined rate, it is measured at the amount receivable.

Asset-related government grants are recognized as deferred income and are amortized evenly in the statement of comprehensive income over the useful lives of the related assets.

Income-related government grants that are used to compensate subsequent related expenses or losses of the Group are recognized as deferred income and recorded in the statement of comprehensive income when the related expenses or losses are incurred. When the grant is used to compensate expenses or losses that were already incurred, they are directly recognized in current period profit and loss.

2.16 Trade and notes payable and other payables

Trade and notes payables and other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

2. Summary of significant accounting policies *(Continued)*

2.17 Employee benefits

Employee benefits mainly include salaries, bonuses, allowances and subsidies, retirement benefit obligations, social insurance and housing funds, labor union fees, employees' education fees and other expenses related to the employees for their services. The Group recognizes employee benefits as liabilities during the accounting period when employees rendered the services and allocates the related cost of assets and expenses based on different beneficiaries.

(a) Bonus plans

The expected cost of bonus plan is recognized as a liability when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

(b) Retirement benefit obligations

The Group primarily pays contributions on a monthly basis to various defined contribution retirement benefit plans organized by relevant municipal and provincial governments in the PRC. The Group makes monthly defined contributions at rates of 20% (2009: 20%) of the qualified employees' basic salaries. The municipal and provincial governments undertake to assume the retirement benefit obligations of all existing and future retired employees payable under these plans. The Group has no legal or constructive obligations for further contributions if the fund does not hold sufficient assets to pay all employees the benefit relating to their current and past services.

2. Summary of significant accounting policies *(Continued)*

2.17 Employee benefits *(Continued)*

(c) Other social insurance and housing funds

The Group provides other social insurance and housing funds to the qualified employees in the PRC based on certain percentages of their salaries. These percentages are not to exceed the upper limits of the percentages prescribed by Ministry of Human Resources and Social Security of the PRC. These benefits are paid to social security organization and the amounts are expensed as incurred. The Group has no legal or constructive obligations for further contributions if the fund does not hold sufficient assets to pay all employees the benefit relating to their current and past services.

(d) Termination benefits and early retirement benefits

Termination and early retirement benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy and/or early retirement in exchange for these benefits. The Group recognizes termination and early retirement benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy and/or early retirement. The specific terms vary among the terminated and early retired employees depending on various factors including position, length of service and district of the employee concerned. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

2. Summary of significant accounting policies *(Continued)*

2.18 Current and deferred income tax

The income tax expense for the period comprises current and deferred income tax. Shares of income tax expense of jointly controlled entities and associates are included in 'share of profits/(losses) of jointly controlled entities/associates'. Income tax expense is recognized in the statement of comprehensive income except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted in the countries where the Company, its subsidiaries, jointly controlled entities and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognized using the liability method on temporary differences arising between tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

The Group recognizes deferred income tax assets for all deductible temporary differences to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

2. Summary of significant accounting policies *(Continued)*

2.18 Current and deferred income tax *(Continued)*

Deferred income tax assets and liabilities arising from temporary differences relating to investments in subsidiaries, jointly controlled entities and associates are recognized. However, when the Company and the Group are able to control the timing of the reversal of the temporary difference and it is probable that this temporary difference will not reverse in foreseeable future, no deferred income tax is recognized.

Deferred income tax assets and liabilities are offset in financial statements when they meet all the conditions below:

(i) deferred income tax assets and deferred income tax liabilities are related to the income tax levied by the same tax authority;

(ii) the Group has a legally enforceable right to settle current income tax assets and current income tax liabilities on a net basis.

2.19 Revenue recognition

Revenue is recognized based on the fair value of the consideration received or receivable for the sale of goods and rendering of services under contracts in the ordinary course of the Group's activities. Revenue is shown net of value-added tax.

The Group recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities (see descriptions below).

2. Summary of significant accounting policies *(Continued)*

2.19 Revenue recognition *(Continued)*

(a) Sales of goods

Revenue from the sales of goods is recognized when the Group transfers significant risks and rewards of ownership of the goods to the buyers, the Group has retained neither continuing managerial involvement nor control over the goods, it is probable that the economic benefits related to the transaction will flow into the Group, and the revenue and related costs incurred can be measured reliably

(b) Rendering of services

The Group provides transportation and packaging services to external customers. These services are recognized in the period when the related services are provided.

(c) Interest income

Interest income is recognized using the effective interest method. When a loan and receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables are recognized using the original effective interest rate.

(d) Dividend income

Dividend income is recognized when the right to receive payment is established.

2. Summary of significant accounting policies *(Continued)*

2.20 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

The Group leases certain property, plant and equipment. Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to the statement of comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases are depreciated over the shorter of the useful life of the asset and the lease term.

2.21 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of any qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Borrowing costs capitalized are those costs that would have been avoided if the expenditure on the qualifying assets had not been made, which are either the actual costs incurred on a specific borrowing or an amount calculated using the weighted average method, considering all borrowing costs incurred on general borrowings outstanding. Other borrowing costs are expensed as incurred.

2. Summary of significant accounting policies *(Continued)*

2.22 Dividend distribution

Dividend distribution to the Company's shareholders is recognized as a liability in the Group's and Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

2.23 Provisions

Provisions for environmental restoration, restructuring costs and legal claims are recognized when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

3. Financial and capital risks management

3.1 Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, cash flow and fair value interest rate risk and commodity price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

Risk management is carried out by the treasury management department (the "Group Treasury") under policies approved by the Board of Directors of the Company. Group Treasury identifies, evaluates and hedges financial risks through close co-operation with the Group's operating units.

(a) Market risk

(i) Foreign currency risk

Foreign currency risk primarily arises from certain significant foreign currency deposits and short-term and long-term loans denominated in US Dollar ("USD"), Australian Dollar ("AUD"), Japanese Yen ("JPY"), Euro ("EUR") and Hong Kong Dollar ("HKD"). Related exposures are disclosed in Notes 18 and 21, respectively. The Group Treasury closely monitors the international foreign currency market on the changing exchange rates and takes these into consideration when investing in foreign currency deposits and issuing loans. As the foreign currency denominated assets and liabilities are minimal relative to the total assets and liabilities of the Group, the directors of the Company are of the opinion that the Group is not exposed to any significant foreign currency risk as of December 31, 2010 and 2009.

3. Financial and capital risks management *(Continued)*

3.1 Financial risk management *(Continued)*

(a) Market risk *(Continued)*

(ii) Cash flow and fair value interest rate risk

As the Group has no significant interest bearing assets except for bank deposits (Note 18), the Group's income and operating cash flows are substantially independent of changes in market interest rates.

Most of the bank deposits are maintained in savings and fixed deposit accounts in the PRC The interest rates are regulated by the People's Bank of China and the Group Treasury closely monitors the fluctuation on such rates periodically. As the average interest rates applied to the deposits are relatively low, the directors of the Company are of the opinion that the Group is not exposed to any significant interest rate risk for its financial assets held as of December 31, 2010 and 2009.

The interest rate risk of the Group primarily arises from long-term loans. Loans borrowed at variable interest rates expose the Group to cash flow interest rate risk. The exposures to these risks are disclosed separately in Note 21. The Group enters into debt obligations to support general corporate purposes including capital expenditures and working capital needs. The Group Treasury closely monitors market interest rates and maintains a balance between variable rate and fixed rate borrowings in order to reduce the exposures to the interest rate risk described above

As of December 31, 2010, if interest rates had been 1% (2009: 1%) higher/lower with all other variables held constant, profit for the year would have been RMB361 million lower/higher (2009: Loss for the year: RMB509 million higher/lower), respectively.

3. Financial and capital risks management *(Continued)*

3.1 Financial risk management *(Continued)*

(a) Market risk *(Continued)*

(ii) Cash flow and fair value interest rate risk *(Continued)*

The fair value interest rate risk of the Group mainly arises from long-term bonds, medium-term notes and short-term bonds issued at fixed rates. As the fluctuation of comparable interest rates of corporate bonds with similar terms is relatively low, the directors of the Company are of the opinion that the Group is not exposed to any significant fair value interest rate risk for its fix interest rate borrowings held as of December 31, 20,10 and 2009.

(iii) Commodity price risk

The Group uses futures and option contracts to reduce its exposure to fluctuations in the price of primary aluminum. According to the Group's policy, the total quantity of primary aluminum which can be hedged using these financial instruments is limited to 50% of the annual quantity produced by the Group.

The Group uses mainly futures contracts and option contracts traded on the Shanghai Futures Exchange and London Metal Exchange (the "LME") to hedge against fluctuations in primary aluminum prices. As of December 31, 2010, the fair value of outstanding future contracts amounting to RMB0.5 million and RMB8.6 million are recognized in financial assets and liabilities at fair value through profit or loss, respectively. As of December 31, 2010, the Group did not hold any option contract.

(Amounts expressed in thousands of RMB unless otherwise stated)

3. Financial and capital risks management *(Continued)*

3.1 Financial risk management *(Continued)*

(a) Market risk *(Continued)*

(iii) Commodity price risk *(Continued)*

A summary of future contacts held as of December 31, 2010 is as follows:

	As of December 31, 2010			
	Quantity *(expressed in tones)*	**Contract value**	**Market value**	**Contract maturity**
Primary aluminum:				
— Short position	34,305	562,569	571,118	January to November 2011
— Long position	1,000	16,557	16,790	March 2011
Copper:				
— Short position	675	47,829	47,547	January 2011

(Amounts expressed in thousands of RMB unless otherwise stated)

3. Financial and capital risks management *(Continued)*

3.1 Financial risk management *(Continued)*

(a) Market risk *(Continued)*

(iii) Commodity price risk *(Continued)*

	As of December 31, 2009			
	Quantity *(expressed in tones)*	Contract value	Market value	Contract maturity
Primary aluminum:				
— Short position	60,135	971,242	1,034,003	January to October 2010
— Long position	7,015	102,687	117,574	January to February 2010
Zincum:				
— Short position	10,580	224,591	224,508	April 2010

As of December 31, 2010, if the primary aluminum futures price had been increased/decreased by 3% (2009: 3%) and all other variables held constant, profit for the year would have been decreased/increased by RMB202 million (2009: Loss for the year decreased/increased by RMB140 million).

3. Financial and capital risks management *(Continued)*

3.1 Financial risk management *(Continued)*

(b) Credit risk

Credit risk arises from bank balances, other receivables as well as credit exposures of customers, including outstanding receivables and committed transactions. The Company also provided financial guarantees to certain subsidiaries. The carrying amount of these receivables and amounts of respective financial guarantees included in Notes 16, 17, 18 and 21 represent the Group's maximum exposure to credit risk in relation to its financial assets and guarantees.

The Group maintains substantially all of its bank balances and cash in several major state-owned banks in the PRC. With strong state support provided to these state-owned banks, the directors of the Company are of the opinion that there is no significant credit risk on such assets being exposed to losses.

With regard to trade and notes receivable, the marketing department assesses the credit quality of the customers, taking into account their financial positions, past experience and other factors. The Group performs periodic credit evaluations of its customers and believes that adequate provision for impairment of receivables have been made in the financial statements. Management does not expect any further losses from non-performance by these counterparties. The Group does not hold any collateral as security for these receivables.

As of December 31, 2010 and 2009, none of the individual customers exceed 10% of the Group's total revenue, and thus, the directors of the Company are of the opinion that the Group is not exposed to any significant concentration of credit risk as of December 31, 2010 and 2009.

3. Financial and capital risks management *(Continued)*

3.1 Financial risk management *(Continued)*

(c) Liquidity risk

Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group Treasury. Group Treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets and, if applicable, external regulatory or legal requirements, for example, currency restrictions.

As of December 31, 2010, the Group had total banking facilities of approximately RMB96,706 million (2009: RMB88,664 million) of which amounts totaling RMB46,699 million have been utilized as of December 31, 2010 (2009: RMB49,897 million). Banking facilities of approximately RMB68,463 million will be subject to renewals in 2011. The directors of the Company are confident that such banking facilities can be renewed upon expiration based on their past experience and good credit standing.

In addition, as of December 31, 2010, the Group had credit facilities through its primary aluminum futures agent at the LME amounting to USD107 million (equivalent to RMB708.63 million) (2009: USD117 million (equivalent to RMB798.90 million)) of which USD15 million (equivalent to RMB99.12 million) (2009: USD0.06 million (equivalent to RMB0.38 million)) has been utilized. The futures agent has the right to adjust the related credit facilities.

Management also monitors rolling forecasts of the Group's liquidity reserve on the basis of expected cash flows.

For the year ended December 31, 2010 (Amounts expressed in thousands of RMB unless otherwise stated)

3. Financial and capital risks management *(Continued)*

3.1 Financial risk management *(Continued)*

(c) Liquidity risk *(Continued)*

The table below analyzes the Group's and the Company's non-derivative financial liabilities and financial liabilities at fair value through profit or loss that will be settled on a net basis into relevant maturity groupings based on the remaining period from balance sheet dates to the contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Group				
	Within 1 year	1-2 years	2-5 years	Over 5 years	Total
As of December 31, 2010					
Long-term bank and other loans	5,264,528	3,624,508	11,457,145	3,726,011	24,072,192
Long-term bonds	—	—	—	2,000,000	2,000,000
Medium-term notes	5,000,000	—	7,000,000	—	12,000,000
Short-term bonds	10,700,000	—	—	—	10,700,000
Short-term bank loans	20,589,680	—	—	—	20,589,680
Interest payables for borrowings	2,599,084	1,322,756	2,157,311	372,181	6,451,332
Financial liabilities at fair value through profit or loss	8,559	—	—	—	8,559
Other payables and accrued expenses *(Note)*	6,897,074	—	—	—	6,897,074
Trade and notes payable	6,376,342	—	—	—	6,376,342
	57,435,267	4,947,264	20,614,456	6,098,192	89,095,179

(Amounts expressed in thousands of RMB unless otherwise stated)

3. Financial and capital risks management *(Continued)*

3.1 Financial risk management *(Continued)*

(c) Liquidity risk *(Continued)*

	Group				
	Within 1 year	**1-2 years**	**2-5 years**	**Over 5 years**	**Total**
As of December 31, 2009					
Long-term bank and other loans	2,826,472	5,909,537	13,916,224	6,073,488	28,725,721
Long-term bonds	–	–	–	2,000,000	2,000,000
Medium-term notes	–	5,000,000	5,000,000	–	10,000,000
Short-term bank loans	22,993,285	–	–	–	22,993,285
Interest payables for borrowings	3,264,567	1,652,829	2,665,592	621,619	8,204,607
Financial liabilities at fair value through profit or loss	47,855	–	–	–	47,855
Other payables and accrued expenses *(Note)*	7,609,285	–	–	–	7,609,285
Trade and notes payable	6,172,443	–	–	–	6,172,443
	42,913,907	12,562,366	21,581,816	8,695,107	85,753,196

(Amounts expressed in thousands of RMB unless otherwise stated)

3. Financial and capital risks management *(Continued)*

3.1 Financial risk management *(Continued)*

(c) Liquidity risk *(Continued)*

	Company				
	Within 1 year	**1-2 years**	**2-5 years**	**Over 5 years**	**Total**
As of December 31, 2010					
Long-term bank and other loans	2,753,975	746,475	6,789,226	1,324,576	11,614,252
Long-term bonds	–	–	–	2,000,000	2,000,000
Medium-term notes	5,000,000	–	7,000,000	–	12,000,000
Short-term bonds	10,000,000	–	–	–	10,000,000
Short-term bank loans	7,000,000	–	–	–	7,000,000
Interest payables for borrowings	1,642,055	864,362	1,430,931	252,697	4,190,045
Financial liabilities at fair value through profit or loss	4,876	–	–	–	4,876
Other payables and accrued expenses *(Note)*	3,853,719	–	–	–	3,853,719
Trade and notes payable	2,422,104	–	–	–	2,422,104
	32,676,729	1,610,837	15,220,157	3,577,273	53,084,996

(Amounts expressed in thousands of RMB unless otherwise stated)

3. Financial and capital risks management *(Continued)*

3.1 Financial risk management *(Continued)*

(c) Liquidity risk *(Continued)*

	Company				
	Within 1 year	**1-2 years**	**2-5 years**	**Over 5 years**	**Total**
As of December 31, 2009					
Long-term bank and other loans	431,966	3,123,345	8,716,534	2,786,389	15,058,234
Long-term bonds	—	—	—	2,000,000	2,000,000
Medium-term notes	—	5,000,000	5,000,000	—	10,000,000
Short-term bank loans	10,800,000	—	—	—	10,800,000
Interest payables for borrowings	2,027,251	1,188,465	1,907,431	415,292	5,538,439
Financial liabilities at fair value through profit or loss	29,952	—	—	—	29,952
Other payables and accrued expenses *(Note)*	4,273,274	—	—	—	4,273,274
Trade and notes payable	2,571,230	—	—	—	2,571,230
	20,133,673	9,311,810	15,623,965	5,201,681	50,271,129

Note: Accrued payroll and bonus, staff welfare payables, contribution payable for retirement benefits and obligations in relation to early retirement schemes are excluded for the purpose of the above analysis.

3. Financial and capital risks management *(Continued)*

3.2 Fair value estimation

Below is a summary of analysis on financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

— Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

— Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2); and

— Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

As of December 31, 2010, all available-for-sale financial assets of the Group are measured at Level 3 fair value (2009: Level 3, except for available-for-sale financial assets amounting to RMB1 million are measured at Level 1); except for financial assets at fair value through profit or loss amounting to RMB17 million (2009: nil), are measured at Level 2 fair value, all other financial assets and liabilities at fair value through profit or loss are measured at Level 1 (2009: Level 1) fair value.

3. Financial and capital risks management *(Continued)*

3.2 Fair value estimation *(Continued)*

The carrying amount less provision for impairment of trade and other receivables, bank balances and cash, trade and other payables and accrued expenses, short-term bonds and short-term loans are assumed to approximate their fair values. The fair values of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rates that are available to the Group for similar financial instruments.

3.3 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debts.

Consistent with other entities in the industry, the Group monitors capital on the basis of its gearing ratio. This ratio is calculated as net debts divided by total capital. Net debts are calculated as total borrowings and other liabilities (including borrowings, other non-current liabilities, trade and notes payable, other payables and accrued expenses and financial liabilities at fair value through profit or loss, as shown in the consolidated statement of financial position) less restricted cash, time deposits and cash and cash equivalents. Total capital is calculated as equity, as shown in the consolidated statement of financial position, plus net debts less non-controlling interests.

(Amounts expressed in thousands of RMB unless otherwise stated)

3. Financial and capital risks management *(Continued)*

3.3 Capital risk management *(Continued)*

During 2010 and 2009, the change in sales price of the Group's primary products has adversely impacted profitability and net operating cash flows of the Group. The Group has entered into additional bank borrowings in order to ensure sufficient operating cash flows. The gearing ratio as of December 31, 2010 is as follows:

	2010	2009
Total borrowings and other liabilities	**84,039,476**	78,297,679
Less: restricted cash, time deposits and cash and cash equivalents	**(9,495,645)**	(7,858,760)
Net debts	**74,543,831**	70,438,919
Total equity	**57,186,855**	55,581,157
Add: net debts	**74,543,831**	70,438,919
Less: non-controlling interests	**(5,606,063)**	(5,180,419)
Total capital attributable to equity holders of the Company	**126,124,623**	120,839,657
Gearing ratio	**59%**	58%

There is no significant change in gearing ratio between December 31, 2010 and 2009

4. Critical accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Critical estimates and assumptions that have a significant risk of causing a material impact on the carrying amount of assets and liabilities within the next financial year are discussed below:

(a) Property, plant and equipment — recoverable amount

In accordance with the Group's accounting policy (Note 2.9), each asset or cash generating unit is evaluated every reporting period to determine whether there are any indications of impairment. If any such indication exists, an estimate of recoverable amount is performed and an impairment loss recognized to the extent that the carrying amount exceeds the recoverable amount. The recoverable amount of an asset or cash generating group of assets is measured at the higher of fair value less costs to sell and value in use.

Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties and is generally determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset, and its eventual disposal.

4. Critical accounting estimates and judgments *(Continued)*

(a) Property, plant and equipment — recoverable amount *(Continued)*

Value in use is also generally determined as the present value of the estimated future cash flows, but only those expected to arise from the continued use of the asset in its present form and its eventual disposal. Present values are determined using a risk-adjusted pre-tax discount rate appropriate to the risks inherent in the asset. Future cash flow estimates are based on expected production and sales volumes, commodity prices (considering current and historical prices, price trends and related factors) and operating costs. This policy requires management to make these estimates and assumptions which are subject to risk and uncertainty; hence there is a possibility that changes in circumstances will alter these projections, which may impact the recoverable amount of the assets. In such circumstances, some or all of the carrying value of the assets may be impaired and the impairment would be charged against the statement of comprehensive income.

(b) Property, plant and equipment and intangible assets — estimated useful lives and residual values

The Group's management determines the estimated useful lives and residual values (if applicable) and consequently related depreciation/amortization charges for its property, plant and equipment and intangible assets. These estimates are based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions, or based on value-in-use calculations or market valuations according to the estimated periods that the Group intends to derive future economic benefits from the use of intangible assets. Management will increase the depreciation/amortization charge where useful lives are less than previously estimated lives, and it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

Actual economic lives may differ from estimated useful lives; and actual residual values may differ from estimated residual values. Periodic review could result in a change in depreciable lives and residual values and therefore depreciation/amortization expense in future periods.

4. Critical accounting estimates and judgments *(Continued)*

(c) Estimated impairment of inventories — net realizable value

In accordance with the Group's accounting policy (Note 2.11), the Group's management tests whether inventory suffered any impairment based on estimates of the net realizable value of the inventory. For different types of inventories, it requires the exercise of accounting estimates on selling price, costs of conversion, selling expenses and related tax expense to calculate its net realizable value. For inventories held for executed sales contracts, the management estimates net realizable value based on the contracted price; for other inventories, the management estimates realizable future price based on the actual prices during the period from the balance sheet date to the date these financial statements were approved for issue by the Board of Directors of the Company and takes into account the nature and balance of inventories and future estimated price trends. For raw materials and work-in-progress, the management has established a model in estimating the net realized value at which the inventories can be realized in the normal course of business after considering the Group's manufacturing cycles, production capacity and forecasts, estimated future conversion costs and selling prices. The management also takes into account the price or cost fluctuations and other related matters occurring after the balance sheet date which reflect conditions that existed as of the balance sheet date.

It is reasonably possible that if there is a significant change in circumstances including the Group's business and the external environment, outcomes within the next financial year would be significantly affected.

4. Critical accounting estimates and judgments *(Continued)*

(d) Income tax

The Group estimates its income tax provision and deferred income taxation in accordance with the prevailing tax rules and regulations, taking into account any special approvals obtained from relevant tax authorities and any preferential tax treatment to which it is entitled in each location or jurisdiction in which the Group operates. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made.

For temporary differences which give rise to deferred income tax assets, the Group has assessed the likelihood that the deferred income tax assets could be recovered. Major deferred income tax assets relate to deductible tax losses and provision for impairment of assets and accruals of expenses not yet deductible for tax purposes. Due to the effects of these temporary differences on income tax, the Group has recorded deferred income tax assets amounting to approximately RMB1,536 million as of December 31, 2010 (2009: approximately RMB1,818 million). Deferred income tax assets are recognized based on the Group's estimates and assumptions that they will be recovered from taxable income arising from continuing operations in the foreseeable future.

4. Critical accounting estimates and judgments *(Continued)*

(d) Income tax *(Continued)*

The Group believes it has recorded adequate current tax provision and deferred income taxes based on the prevailing tax rules and regulations and its current best estimates and assumptions. In the event that future tax rules and regulations or related circumstances change, adjustments to current and deferred income taxation may be necessary which would impact the Group's results or financial position.

(e) Goodwill — recoverable amount

In accordance with the Group's accounting policy (Note 2.7(a)), goodwill is allocated to the Group's operating segment as it represents the lowest level within the Group at which the goodwill is monitored for internal management purposes and is tested for impairment annually by preparing a formal estimate of the recoverable amount. The recoverable amount is estimated as the value in use of the operating segment. Similar considerations to those described above in respect of assessing the recoverable amount of property, plant and equipment apply to goodwill.

For the year ended December 31, 2010 (Amounts expressed in thousands of RMB unless otherwise stated)

PUBLIC FILE 117

5. Business combinations under common control

On October 29, 2009, the Company acquired 100% equity interest of the following companies/business from Zhongzhou Aluminum Factory, a company registered in Henan province in the PRC and a subsidiary of Aluminum Corporation of China ("Chinalco") (中國鋁業公司), the Company's immediate and ultimate holding company, and Zhongzhou Aluminum Factory Labour Services Company Limited for total cash consideration of RMB35 million. Pursuant to the terms set out in the acquisition agreements, the original shareholders/owners of these companies/business are entitled to any profit or loss generated by the entities acquired between the agreed-upon valuation dates, March 31, 2009, and October 29, 2009. In this connection, the Company had paid an additional RMB2 million to the original shareholders/owners of these companies/business in February 2010. The acquired companies/business are:

Name of acquiree	Principal activities
Henan Zhongzhou Aluminum Construction Company Ltd ("Zhongzhou Construction") (河南中州鋁建設有限公司)	Provision of construction and engineering services for mining industry
Jiaozuo Hongrui Chemical Company Ltd (焦作市鴻銳化工有限責任公司)	Supply of chemical products and accessory supplies for the mining industry
Henan Xincheng Construction Supervisory Services Company Ltd ("Xincheng Construction") (河南鑫誠建設監理有限公司)	Provision of management services for construction projects work
Limestone mine business of Zhongzhou Aluminum Fengying Company Ltd. (中州鋁廠馮營石灰石礦業務)	Supply of limestone products

As both the Company and all the above acquired companies/business are under the common control of Chinalco immediately before and after the acquisitions, these transactions were accounted for as common control business combinations, using merger accounting for all periods presented herein as if the merger had been consummated since the inception of common control.

There is no business combination under common control completed during the year ended December 31, 2010.

6. Revenue and segment information

(a) Revenue

Revenue recognized during the year is as follows:

	For the year ended December 31,	
	2010	2009
Sales of goods (net of value-added tax)	**118,374,341**	68,556,451
Other revenue	**2,620,506**	1,711,554
	120,994,847	70,268,005

Other revenue primarily includes revenue from sales of scrap and other materials, supply of electricity, gas, heat and water and provision of machinery processing and other services.

(b) Segment information

The chief operating decision-maker of the Company has been identified as the Company's Executive Committee. The Executive Committee is responsible for the review of the internal reports in order to allocate resources to operating segments and assess their performance. The Executive Committee assesses the performance of operating segments based on profit or loss before income tax in related periods. Unless otherwise stated below, the manner of assessment used by the Executive Committee is consistent with that applied in this consolidated financial statements. Management has determined the operating segments based on the reports reviewed by the Executive Committee that are used to make strategic decisions.

6. Revenue and segment information *(Continued)*

(b) Segment information *(Continued)*

In July 2010, as result of the implementation of the Group's operational structural adjustment exercise, the Group's trading business was established as a new operating segment. In addition, the Group also redesigned its internal reports periodically reviewed by the Executive Committee in order to better align with the Group's operational structure. As a result of these changes, the Executive Committee considers the business from a product perspective comprising alumina, primary aluminum, aluminum fabrication for the Group's manufacturing business, and trading business is identified as a separate reportable operating segment. In addition, the Group's operating segments also include corporate and other services which cover other operating activities of the Group including research and development. Accordingly, 2009 comparative information has been reclassified to conform to 2010 presentation/classification.

Alumina segment, which consists of mining and purchasing bauxite and other raw materials, refining bauxite into alumina, and selling alumina both internally to the Group's aluminum plants and externally to customers outside the Group. This segment also includes the production and sales of chemical alumina (including alumina hydrate and alumina chemicals) and metal gallium.

Primary aluminum segment, which consists of procuring alumina and other raw materials, supplemental materials and electricity power, smelting alumina to produce primary aluminum and selling them to the Group's internal aluminum fabrication plants and external customers. This segment also includes the production and sales of carbon products and aluminum alloy products.

Aluminum fabrication segment, which consists of procuring primary aluminum, other raw materials, supplemental materials and electricity power, and further processing primary aluminum for the production and sales of seven main aluminum fabricated products, including casts, planks, screens, extrusions, forges, powder and die castings.

(Amounts expressed in thousands of RMB unless otherwise stated)

6. Revenue and segment information *(Continued)*

(b) Segment information *(Continued)*

The trading segment, which engages in the trading of alumina, primary aluminum, aluminum fabrication products, other non-ferrous metal products and raw materials and supplemental materials to external customers in the PRC. The products are sourced from fellow subsidiaries, and international and domestic suppliers to the Group. Sales of products manufactured by the Group's manufacturing business are included in the total revenue of the trading segment and are eliminated from the segment revenue of the respective segments which supplied the products to trading segment.

Segment assets mainly exclude prepaid current income tax and deferred income tax assets. Segment liabilities mainly exclude the current income tax liabilities and deferred income tax liabilities.

All sales among the operating segments were conducted at terms mutually agreed among group companies, and have been eliminated at the consolidated level

	For the year ended December 31, 2010						
	Alumina	Primary aluminum	Aluminum fabrication	Trading	Corporate and other operating segments	Inter-segment elimination	Total
Total revenue	26,837,922	53,255,011	10,466,016	90,141,373	190,326	(59,895,801)	120,994,847
Inter-segment revenue	(24,689,632)	(26,847,748)	(150,676)	(8,159,134)	(48,611)	59,895,801	—
Revenue from external customers	2,148,290	26,407,263	10,315,340	81,982,239	141,715	—	120,994,847
Segment profit/(loss)	1,077,144	358,782	(323,568)	860,637	(490,258)	(102,383)	1,380,354
Income tax expense							(411,216)
Profit for the year							969,138

For the year ended December 31, 2010 (Amounts expressed in thousands of RMB unless otherwise stated)

6. Revenue and segment information *(Continued)*

(b) Segment information *(Continued)*

	For the year ended December 31, 2010						
	Alumina	Primary aluminum	Aluminum fabrication	Trading	Corporate and other operating segments	Inter-segment elimination	Total
Other items							
Finance income	17,572	18,493	4,824	13,210	37,010	–	91,109
Finance costs	(532,291)	(1,307,058)	(309,644)	(90,976)	(346,324)	–	(2,586,293)
Share of profit of jointly controlled entities	–	–	–	–	233,784	–	233,784
Share of profit of associates	–	230,098	570	–	9,360	–	240,028
Amortization of land use rights and leasehold land	27,779	21,123	7,645	8	2,190	–	58,745
Depreciation and amortization	2,756,616	3,075,767	362,391	3,246	100,612	–	6,298,632
(Gain)/loss on disposal of property, plant and equipment	(2,473)	(26,974)	48	–	75	–	(29,324)
Impairment charge/write-off of property, plant and equipment	372,629	329,152	–	–	–	–	701,781
Provision/(reversal) for impairment of inventories	15,562	18,798	(86)	–	–	–	34,274
Provision for impairment of receivables, net of bad debts recovered	20,066	1,157	1,711	–	4,800	–	27,734
Additions to non-current assets during the year							
Intangible assets	69,598	19,546	444	1,082	37,183	–	127,853
Land use rights	166,527	117,094	15,840	–	–	–	299,461
Property, plant and equipment	4,124,751	3,365,592	1,042,731	14,047	42,374	–	8,589,495

(Amounts expressed in thousands of RMB unless otherwise stated)

6. Revenue and segment information *(Continued)*

(b) Segment information *(Continued)*

	For the year ended December 31, 2009						
	Alumina	Primary aluminum	Aluminum fabrication	Trading	Corporate and other operating segments	Inter-segment elimination	Total
Total revenue	18,289,471	42,731,218	7,102,579	38,451,272	286,088	(36,592,623)	70,268,005
Inter-segment revenue	(12,555,416)	(16,463,537)	(1,062,138)	(6,511,532)	–	36,592,623	–
Revenue from external customers	5,734,055	26,267,681	6,040,441	31,939,740	286,088	–	70,268,005
Segment (loss)/profit	(2,895,597)	(1,426,521)	(897,907)	632,500	(689,217)	(113,855)	(5,390,597)
Income tax benefit							711,003
Loss for the year							(4,679,594)

(Amounts expressed in thousands of RMB unless otherwise stated)

6. Revenue and segment information *(Continued)*

(b) Segment information *(Continued)*

	For the year ended December 31, 2009						
	Alumina	Primary aluminum	Aluminum fabrication	Trading	Corporate and other operating segments	Inter-segment elimination	Total
Other items							
Finance income	10,635	28,693	6,701	13,457	65,653	—	125,139
Finance costs	(383,409)	(1,231,458)	(315,643)	(1,378)	(331,076)	—	(2,262,964)
Share of loss of jointly controlled entities	—	—	—	—	(50,392)	—	(50,392)
Share of profit of associates	—	75,498	—	—	1,558	—	77,056
Amortization of land use rights and leasehold land	14,833	17,828	7,419	—	7,442	—	47,522
Depreciation and amortization	2,574,998	2,662,595	341,062	2,950	134,200	—	5,715,805
(Gain)/loss on disposal of property, plant and equipment	(5,319)	20,503	—	—	12,160	—	27,344
Impairment charge/write-off of property, plant and equipment	128,775	335,432	159,584	—	—	—	623,791
Reversal for impairment of inventories	(213,736)	(501,391)	(194,617)	(423)	—	—	(910,167)
Provision for impairment of receivables, net of bad debts recovered	10,862	1,039	603	—	175	—	12,679
Additions to non-current assets during the year							
Intangible assets	71,580	33,309	383	—	22,125	—	127,397
Land use rights	250,091	10,579	—	—	—	—	260,670
Property, plant and equipment	5,389,115	2,770,827	2,054,675	2,155	80,705	—	10,297,477

(Amounts expressed in thousands of RMB unless otherwise stated)

6. Revenue and segment information *(Continued)*

(b) Segment information *(Continued)*

	Alumina	Primary aluminum	Aluminum fabrication	Trading	Corporate and other operating segments	Inter-segment elimination	Total
As of December 31, 2010:							
Segment assets	54,746,269	54,253,441	15,508,792	7,979,162	13,434,371	(6,315,016)	139,607,019
Unallocated:							
Deferred income tax assets							1,410,781
Prepaid income tax							304,239
Total assets							141,322,039
Segment liabilities	27,038,548	31,115,258	11,712,111	6,568,614	13,703,723	(6,098,778)	84,039,476
Unallocated:							
Current income tax liabilities							95,708
Total liabilities							84,135,184

(Amounts expressed in thousands of RMB unless otherwise stated)

6. Revenue and segment information *(Continued)*

(b) Segment information *(Continued)*

	Alumina	Primary aluminum	Aluminum fabrication	Trading	Corporate and other operating segments	Inter-segment elimination	Total
As of December 31, 2009:							
Segment assets	52,302,401	53,257,537	13,818,766	6,937,975	11,071,289	(5,351,526)	132,036,442
Unallocated:							
Deferred income tax assets							1,647,240
Prepaid income tax							291,507
Total assets							133,975,189
Segment liabilities	26,219,954	31,110,437	9,926,120	6,243,025	10,035,814	(5,237,671)	78,297,679
Unallocated:							
Deferred income tax liabilities							34,535
Current income tax liabilities							61,818
Total liabilities							78,394,032

(Amounts expressed in thousands of RMB unless otherwise stated)

6. Revenue and segment information *(Continued)*

(b) Segment information *(Continued)*

The Company is domiciled in the PRC. Geographical information on operating segments is as follows:

	For the year ended December 31,	
	2010	2009
Segment revenue from external customers		
— The PRC	**120,990,827**	70,241,729
— Other countries	**4,020**	26,276
	120,994,847	70,268,005

	As of December 31,	
	2010	2009
Non-current assets (excluding financial assets and deferred income tax assets)		
— The PRC	**98,112,058**	95,239,803
— Other countries	**429,775**	697,956
	98,541,833	95,937,759

For the year ended December 31, 2010, revenues of approximately RMB28,945 million (2009: RMB13,645 million) are derived from entities directly or indirectly owned or controlled by the PRC government. These revenues are mainly attributable to the alumina, primary aluminum, aluminum fabrication and trading segments. There is no other individual customer with its proportion of segment revenue more than 10%.

(Amounts expressed in thousands of RMB unless otherwise stated)

7. Intangible assets

	Group			
	Goodwill	Mining rights	Computer software and others	Total
As of January 1, 2009				
Cost	2,362,735	655,034	128,381	3,146,150
Accumulated amortization	—	(122,554)	(35,527)	(158,081)
Net book amount	2,362,735	532,480	92,854	2,988,069
Year ended December 31, 2009				
Opening net book amount	2,362,735	532,480	92,854	2,988,069
Additions	—	92,166	35,231	127,397
Amortization	—	(45,740)	(20,251)	(65,991)
Closing net book amount	2,362,735	578,906	107,834	3,049,475
As of December 31, 2009				
Cost	2,362,735	741,292	163,612	3,267,639
Accumulated amortization	—	(162,386)	(55,778)	(218,164)
Net book amount	2,362,735	578,906	107,834	3,049,475

(Amounts expressed in thousands of RMB unless otherwise stated)

7. Intangible assets *(Continued)*

	Group			
	Goodwill	Mining rights	Computer software and others	Total
Year ended December 31, 2010				
Opening net book amount	2,362,735	578,906	107,834	3,049,475
Additions	—	72,754	55,099	127,853
Reclassification *(Note 8)*	—	(75,876)	—	(75,876)
Amortization	—	(45,388)	(22,189)	(67,577)
Closing net book amount	2,362,735	530,396	140,744	3,033,875
As of December 31, 2010				
Cost	2,362,735	738,170	218,711	3,319,616
Accumulated amortization	—	(207,774)	(77,967)	(285,741)
Net book amount	2,362,735	530,396	140,744	3,033,875

For the year ended December 31, 2010, amortization expense recognized in the consolidated statement of comprehensive income is analyzed as follows:

	For the year ended December 31,	
	2010	2009
Cost of sales	**52,584**	43,486
General and administrative expenses *(Note 27)*	**14,993**	22,505
	67,577	65,991

(Amounts expressed in thousands of RMB unless otherwise stated)

7. Intangible assets *(Continued)*

	Company			
	Goodwill	**Mining rights**	**Computer software and others**	**Total**
As of January 1, 2009				
Cost	2,330,945	479,133	112,712	2,922,790
Accumulated amortization	—	(96,877)	(29,640)	(126,517)
Net book amount	2,330,945	382,256	83,072	2,796,273
Year ended December 31, 2009				
Opening net book amount	2,330,945	382,256	83,072	2,796,273
Additions	—	12,838	26,407	39,245
Amortization	—	(24,145)	(18,629)	(42,774)
Closing net book amount	2,330,945	370,949	90,850	2,792,744
As of December 31, 2009				
Cost	2,330,945	491,971	139,119	2,962,035
Accumulated amortization	—	(121,022)	(48,269)	(169,291)
Net book amount	2,330,945	370,949	90,850	2,792,744

(Amounts expressed in thousands of RMB unless otherwise stated)

7. Intangible assets *(Continued)*

	Company			
	Goodwill	**Mining rights**	**Computer software and others**	**Total**
Year ended December 31, 2010				
Opening net book amount	2,330,945	370,949	90,850	2,792,744
Additions	—	8,220	36,818	45,038
Amortization	—	(25,161)	(19,409)	(44,570)
Closing net book amount	2,330,945	354,008	108,259	2,793,212
As of December 31, 2010				
Cost	2,330,945	500,191	175,937	3,007,073
Accumulated amortization	—	(146,183)	(67,678)	(213,861)
Net book amount	2,330,945	354,008	108,259	2,793,212

Impairment test for goodwill

Goodwill is allocated to the Group's cash-generating units ("CGUs") and groups of CGUs identified according to operating segments. A segment level summary of goodwill allocation is presented below:

	December 31, 2010		December 31, 2009	
	Alumina	**Primary aluminium**	Alumina	Primary aluminium
Qinghai Branch	—	**217,267**	—	217,267
Guangxi Branch	**189,419**	—	189,419	—
Lanzhou Branch	—	**1,924,259**	—	1,924,259
Jiaozuo Wanfang Power Co., Ltd. ("Wanfang Power")	—	**31,790**	—	31,790
	189,419	**2,173,316**	189,419	2,173,316

7. Intangible assets *(Continued)*

Impairment test for goodwill *(Continued)*

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a 5-year period. Cash flows beyond the 5-year period are extrapolated using the estimated growth rates which not exceeding the long-term average growth rates for the businesses in which the CGU operates. Other key assumptions applied in the impairment tests include the expected product price, demand for the products, product cost and related expenses. Management determined these key assumptions based on past performance and its expectations on market development. Further, management adopts a pre-tax rate of 14.31% (2009: 10.50%) that reflects specific risks related to CGUs and groups of CGUs as discount rates. The assumptions above are used in analyzing recoverable amounts of CGUs and groups of CGUs within operating segments.

The directors of the Company are of the view that, based on its assessment, there was no impairment of goodwill as of December 31, 2010 (2009: Nil).

A one percentage point increase or decrease in the discount rate, with all other variables held constant, would result in a decrease or increase in the recoverable amount of 7.86% and 6.95% respectively. A one percent increase or decrease in estimated growth, with all other variables held constant, would result in a increase or decrease in the recoverable amount of 6.47% and 4.73% respectively.

(Amounts expressed in thousands of RMB unless otherwise stated)

8. Property, plant and equipment

	Group					
	Buildings	Plant and machinery	Transportation facilities	Office and other equipment	Construction-in-progress	Total
As of January 1, 2009						
Cost	28,503,020	71,116,046	3,051,914	580,191	20,870,953	124,122,124
Accumulated depreciation and impairment	(8,142,809)	(28,229,722)	(1,443,698)	(296,625)	(20,244)	(38,133,098)
Net book amount	20,360,211	42,886,324	1,608,216	283,566	20,850,709	85,989,026
Year ended December 31, 2009						
Opening net book amount	20,360,211	42,886,324	1,608,216	283,566	20,850,709	85,989,026
Transfers/reclassifications	2,786,508	8,259,495	172,847	296	(11,219,146)	—
Additions	58,023	218,337	2,221	6,260	9,910,720	10,195,561
Disposals	(13,820)	(30,572)	(706)	(444)	(20,305)	(65,847)
Depreciation	(1,060,987)	(4,565,604)	(241,323)	(67,870)	—	(5,935,784)
Currency translation differences	3,217	(95)	(2)	(1)	98,797	101,916
Impairment loss	(144,150)	(315,703)	(4,014)	(341)	(159,583)	(623,791)
Closing net book amount	21,989,002	46,452,182	1,537,239	221,466	19,461,192	89,661,081
As of December 31, 2009						
Cost	31,325,327	78,965,256	3,203,745	562,745	19,637,651	133,694,724
Accumulated depreciation and impairment	(9,336,325)	(32,513,074)	(1,666,506)	(341,279)	(176,459)	(44,033,643)
Net book amount	21,989,002	46,452,182	1,537,239	221,466	19,461,192	89,661,081

(Amounts expressed in thousands of RMB unless otherwise stated)

8. Property, plant and equipment *(Continued)*

	Group					
	Buildings	Plant and machinery	Transportation facilities	Office and other equipment	Construction-in-progress	Total
Year ended December 31, 2010						
Opening net book amount	21,989,002	46,452,182	1,537,239	221,466	19,461,192	89,661,081
Transfers/reclassifications *(Note 7)*	3,098,411	5,615,592	122,885	11,035	(8,772,047)	75,876
Transfer to non-current assets held for sale	—	(41,162)	(567)	(509)	(620,432)	(662,670)
Additions	47,787	9,397	6,098	2,742	8,523,471	8,589,495
Disposals	(14,913)	(103,223)	(5,094)	(346)	(184,868)	(308,444)
Depreciation	(1,091,191)	(4,497,643)	(242,367)	(66,256)	—	(5,897,457)
Currency translation differences	455	68	(51)	(22)	22,122	22,572
Impairment loss	(4,596)	(323,547)	(164)	(845)	(372,629)	(701,781)
Closing net book amount	24,024,955	47,111,664	1,417,979	167,265	18,056,809	90,778,672
As of December 31, 2010						
Cost	34,139,583	82,844,111	3,167,132	564,879	18,461,694	139,177,399
Accumulated depreciation and impairment	(10,114,628)	(35,732,447)	(1,749,153)	(397,614)	(404,885)	(48,398,727)
Net book amount	24,024,955	47,111,664	1,417,979	167,265	18,056,809	90,778,672

(Amounts expressed in thousands of RMB unless otherwise stated)

8. Property, plant and equipment *(Continued)*

	Company					
	Buildings	Plant and machinery	Transportation facilities	Office and other equipment	Construction-in-progress	Total
As of January 1, 2009						
Cost	20,990,377	50,731,886	2,595,764	414,899	11,294,361	86,027,287
Accumulated depreciation and impairment	(6,747,726)	(22,535,633)	(1,273,065)	(220,722)	(20,244)	(30,797,390)
Net book amount	14,242,651	28,196,253	1,322,699	194,177	11,274,117	55,229,897
Year ended December 31, 2009						
Opening net book amount	14,242,651	28,196,253	1,322,699	194,177	11,274,117	55,229,897
Transfers/reclassifications	1,318,756	5,404,954	92,472	(5,340)	(6,810,842)	—
Transformation from subsidiaries to branches	11,463	6,844	1,913	43	—	20,263
Additions	5,304	15,073	1,132	1,919	5,337,933	5,361,361
Disposals	(2,737)	(3,128)	(411)	(372)	(20,305)	(26,953)
Depreciation	(737,160)	(3,177,499)	(191,288)	(44,838)	—	(4,150,785)
Impairment loss	(144,150)	(315,703)	(4,014)	(341)	—	(464,208)
Closing net book amount	14,694,127	30,126,794	1,222,503	145,248	9,780,903	55,969,575
As of December 31, 2009						
Cost	22,311,407	55,758,343	2,662,166	388,916	9,797,778	90,918,610
Accumulated depreciation and impairment	(7,617,280)	(25,631,549)	(1,439,663)	(243,668)	(16,875)	(34,949,035)
Net book amount	14,694,127	30,126,794	1,222,503	145,248	9,780,903	55,969,575

(Amounts expressed in thousands of RMB unless otherwise stated)

8. Property, plant and equipment *(Continued)*

	Company					
	Buildings	Plant and machinery	Transportation facilities	Office and other equipment	Construction-in-progress	Total
Year ended December 31, 2010						
Opening net book amount	14,694,127	30,126,794	1,222,503	145,248	9,780,903	55,969,575
Transfers/reclassifications	1,333,483	2,321,632	106,147	2,594	(3,763,856)	–
Transfer to non-current assets held for sale	–	(40,965)	–	–	–	(40,965)
Additions	–	–	609	847	5,836,793	5,838,249
Disposals	(11,187)	(89,968)	(4,884)	(138)	–	(106,177)
Depreciation	(736,571)	(3,006,504)	(190,749)	(42,601)	–	(3,976,425)
Impairment loss	–	(10,181)	–	–	(34,687)	(44,868)
Closing net book amount	15,279,852	29,300,808	1,133,626	105,950	11,819,153	57,639,389
As of December 31, 2010						
Cost	23,332,460	56,502,622	2,607,988	383,865	11,870,716	94,697,651
Accumulated depreciation and impairment	(8,052,608)	(27,201,814)	(1,474,362)	(277,915)	(51,563)	(37,058,262)
Net book amount	15,279,852	29,300,808	1,133,626	105,950	11,819,153	57,639,389

For the year ended December 31, 2010, depreciation expense recognized in the consolidated statement of comprehensive income is analyzed as follows:

	For the year ended December 31,	
	2010	2009
Cost of sales	**6,014,643**	5,404,648
General and administrative expenses *(Note 27)*	**207,075**	238,174
Selling and distribution expenses *(Note 26)*	**9,337**	6,992
	6,231,055	5,649,814

8. Property, plant and equipment *(Continued)*

As of December 31, 2010, the Group is in the process of applying for the ownership certificates of buildings at net book value of RMB2,869 million (2009: RMB2,268 million).

As of December 31, 2010, net book value of buildings amounting to RMB6 million (2009: RMB7 million) are situated in Hong Kong.

For the year ended December 31, 2010, interest expenses of RMB645 million (2009: RMB880 million) arising from borrowings attributable to the construction of property, plant and equipment during the year were capitalized at an annual rate of approximately 4.77% (2009: 5.30%), and were included in 'additions' to property, plant and equipment.

As of December 31, 2010, the Group has pledged property, plant and equipment at net book value amounting to RMB1,117 million (2009: RMB1,712 million) for bank and other borrowings as set out in Note 25.

Impairment test for property, plant and equipment

When any indicators of impairment are identified, property, plant and equipment are reviewed for impairment based on each CGU. The cash generating units are individual plant/entity. The carrying value of these individual plant/entity was compared to the recoverable amount of the CGUs, which was based predominantly on value-inuse. Value-in-use calculations use pre-tax cash flow projections based on financial budgets approved by management covering a 5-year period. Cash flows beyond the 5-year period are extrapolated using the estimated growth rates which not exceeding the long-term average growth rates for the businesses in which the CGU operates. Other key assumptions applied in the impairment tests include the expected product price, demand for the products, product cost, related expenses and applicable exchange rate. Management determined these key assumptions based on past performance and its expectations on market development. Further, management adopts a pre-tax rate of 10.12% (2009: 10.50%) that reflects specific risks related to CGUs and groups of CGUs as discount rates. The assumptions above are used in analyzing recoverable amounts of CGUs and groups of CGUs within operating segments.

8. Property, plant and equipment *(Continued)*

Impairment test for property, plant and equipment *(Continued)*

Where it is considered more likely than not that an individual CGU will be disposed within the near-term rather than continue to be held and operated by the Group, the recoverable amount is based on the estimated net disposal value of the CGU less cost to disposal rather than by reference to its value-in-use.

Except for the assets to be retired or dispose of and the assets related to the exploration and development of bauxite resources in Aurukun, Queensland, Australia (the "AuruKun Project") mentioned in Notes 8(a) and 8(b), based on management's impairment assessment, there was no impairment to other property, plant and equipment of the Group as of December 31, 2010 (2009: nil).

A one percentage point increase or decrease in the discount rate, with all other variables held constant, would result in a 4.40% and 4.63% decrease or increase in the estimated recoverable amount of property, plant and equipment respectively. A one percent increase or decrease in estimated growth, with all other variables held constant, would result in a 0.88% and 1.01% increase or decrease in the estimated recoverable amount of property, plant and equipment respectively

For the year ended December 31, 2010, impairment charges and write-off in aggregate amounting to RMB702 million (2009: RMB624 million) was recognized in the consolidated statement of comprehensive income. Details of these impairment charges and write-off are analyzed as follows:

(a) As a result of adjustment to the Group's operational structure from late 2009 through 2010, the Group determined that certain properties, plant and equipment would be retired (including certain constructions in progress would be abandoned) or disposed through a sale transaction. As of December 31, 2010, an impairment loss amounted to RMB329 million (2009: RMB624 million) represented the difference between the carrying value of these property, plant and equipment of RMB370 million (2009: RMB1,600 million) and their estimated recoverable amounts (estimated fair value less costs to sell).

8. Property, plant and equipment *(Continued)*

Impairment test for property, plant and equipment *(Continued)*

(a) *(Continued)*

In addition, property, plant and equipment amounting to RMB663 million (2009. nil) as of December 31, 2010 are reclassified to 'current assets' as non-current assets held for sale in accordance with the requirement under IFRS 5 'Non-current assets held for sales and discontinued operations', of which non-current assets held for sale amounting to RMB41 million (2009: nil) are classified in 'non-current assets' as these assets will be exchanged for interest in an associate.

(b) On March 23, 2007, the Company entered into a development agreement ("Development Agreement") with the Queensland State Government of Australia for the Aurukun Project. Pursuant to the Development Agreement, the Company would mine the bauxite resources, build and operate a bauxite refinery smelting plant in Queensland, Australia. However, due to adverse changes in the aluminum industry after the financial crisis in 2008, the Aurukun Project had been hindered by various unfavorable factors to the extent that it could not be implemented in accordance with the timetable specified in the Development Agreement. On June 30, 2010, the Development Agreement automatically terminated upon its expiration date. After the expiration of the Development Agreement, the Company and Queensland State Government agreed to continue discussion in ways to continue development of the Aurukun Project. In October 2010, the Company submitted a proposal to the Queensland State Government a revised development plan pursuant to which the Company could continue to mine the bauxite resources but postponing or terminating the building of the bauxite refinery plant, at the same time, to seek alternative investment projects, which could enable the Company to earn a reasonable profit. On December 3, 2010, Queensland State Government has offered to the Company a revised development agreement which allowing the Company to change the AuruKun Project from a mining plus refinery plant integrated project to a mining plus replacement project. With the approval from the Company's Executive Committee, the Company and the Queensland State Government are currently in discussion based on this revised development agreement and aim to finalize the relevant terms and conditions that can be mutually agreeable between the parties As of December 31, 2010, no formal agreement has been reached between the parties

(Amounts expressed in thousands of RMB unless otherwise stated)

8. Property, plant and equipment *(Continued)*

Impairment test for property, plant and equipment *(Continued)*

(b) *(Continued)*

As of December 31, 2010, total capitalized development costs in relation to Aurukun Project amounts to RMB733 million (2009: RMB636 million). In view of the planned cessation of building of alumina plant, all capitalized development costs attributable to the refinery plant as of December 31, 2010 were fully provided for which resulting a charge of RMB373 million (2009: nil) recognized in the consolidated statement of comprehensive income.

With respect to the mining operation, management conducted an impairment assessment at December 31, 2010 in accordance with the aforementioned methodology, and concluded that there was no impairment of the capitalized development attributable to the mining operation (2009: nil).

The level of impairment is predominantly dependent upon judgments used in arriving at project disposal value, future growth rates, the discount rate applied to cash flow projections and successfully develop the mining operation of the Aurukun Project. The estimates and judgment used in the aforementioned assessment represent management's best estimate based on current experience and information available, which may be different from the actual result in the future due to changes in the Group's business and other external environment. Any significant changes in estimated average alumina price, USD:AUD exchange rate, expected capital expenditures or new development agreement would lead to some or all of the capitalized assets would have been impaired.

9. Land use rights and leasehold land

Details of land use rights and leasehold land are as follows:

	Group		Company	
	December 31, 2010	December 31, 2009	**December 31, 2010**	December 31, 2009
Finance leases:				
In Hong Kong, held on:				
Leases between 10 to 50 years	**87,281**	92,660	**—**	—
Operating leases:				
In the mainland of the PRC, held on:				
Leases less than 10 years	**10,807**	16,083	**10,807**	12,293
Leases between 10 to 50 years	**2,075,731**	1,834,625	**743,934**	615,627
Leases over 50 years	**7,127**	179	**176**	179
	2,180,946	1,943,547	**754,917**	628,099

(Amounts expressed in thousands of RMB unless otherwise stated)

9. Land use rights and leasehold land *(Continued)*

(a) Finance leases

	Group 2010	Group 2009
As of January 1,		
Cost	**98,724**	98,875
Accumulated amortization	**(6,064)**	(3,718)
Net book amount	**92,660**	95,157
Year ended December 31,		
Opening net book amount	**92,660**	95,157
Exchange differences	**(3,317)**	(151)
Amortization	**(2,062)**	(2,346)
Closing net book amount	**87,281**	92,660
As of December 31,		
Cost	**95,407**	98,724
Accumulated amortization	**(8,126)**	(6,064)
Net book amount	**87,281**	92,660

As of December 31, 2010, finance lease represent leasehold land situated in Hong Kong held on lease of 36 years (2009: 37 years).

For the year ended December 31, 2010, amortization expense is recognized in 'general and administrative expenses' in the consolidated statement of comprehensive income.

For the year ended December 31, 2010 (Amounts expressed in thousands of RMB unless otherwise stated)

9. Land use rights and leasehold land *(Continued)*

(b) Operating leases prepayments

	Group		Company	
	2010	2009	**2010**	2009
As of January 1,	**1,850,887**	1,635,393	**628,099**	386,878
Additions	**299,461**	260,670	**153,324**	258,909
Amortization	**(56,683)**	(45,176)	**(26,506)**	(17,688)
As of December 31,	**2,093,665**	1,850,887	**754,917**	628,099

As of December 31, 2010, the Group is in the process of applying for the certificates of land use rights amounted to RMB371 million (2009: RMB338 million).

For the year ended December 31, 2010, amortization expense is recognized in 'general and administrative expenses' in the consolidated statement of comprehensive income.

10. Investments in subsidiaries

	Company	
	December 31, 2010	December 31, 2009
Investment, at cost:		
Listed securities *(Note)*	**185,213**	223,782
Unlisted securities	**13,671,880**	12,702,633
	13,857,093	12,926,415
Less: impairment loss	**(406,829)**	—
	13,450,264	12,926,415
Market value of listed securities	**2,512,473**	3,899,030

Note: As of December 31, 2010 and 2009, all listed securities represent equity interests investments in Jiaozuo Wanfang Aluminum Manufacturing Co., Ltd. ("Jiaozuo Wanfang"), a joint stock company incorporated in PRC.

(Amounts expressed in thousands of RMB unless otherwise stated)

10. Investments in subsidiaries *(Continued)*

The following is a list of principal subsidiaries as of December 31, 2010:

Name	Place of incorporation and operation	Legal status	Registered and fully paid capital	Business nature and scope of operations	Effective equity interest held 2010	Effective equity interest held 2009
Directly held:						
Baotou Aluminum Co., Limited (包頭鋁業有限公司)	PRC	Limited liability company	500,000	Manufacture and distribution of primary aluminum, aluminum alloy and related fabrication products and carbon products	100%	100%
Chalco Ruimin Co., Limited ("Chalco Ruimin") (中鋁瑞閩鋁板帶有限公司) *(Note (i))*	PRC	Limited liability company	1,360,494	Manufacture of aluminum, magnesium and related alloy products, export activities	92.18%	90.12%
Chalco Southwest Aluminum Co., Limited (中鋁西南鋁板帶有限公司)	PRC	Limited liability company	540,000	Manufacture and distribution of metal materials (excluding precious metals), sales of general machinery and equipment	60%	60%
Chalco Southwest Aluminum Cold Rolling Co., Limited (中鋁西南鋁冷連軋板帶有限公司)	PRC	Limited liability company	624,190	Rolling aluminum and aluminum alloy processing, development of high precision aluminum strip production technology, import and export activities on goods and technology	100%	100%

(Amounts expressed in thousands of RMB unless otherwise stated)

10. Investments in subsidiaries *(Continued)*

Name	Place of incorporation and operation	Legal status	Registered and fully paid capital	Business nature and scope of operations	Effective equity interest held 2010	Effective equity interest held 2009
Chalco Henan Aluminum Co., Limited (中鋁河南鋁業有限公司)	PRC	Limited liability company	1,132,460	Manufacture and distribution of aluminum and alloy related products	90.03%	90.03%
China Aluminum International Trading Co., Ltd (中鋁國際貿易有限公司)	PRC	Limited liability company	200,000	Import and export activities	90.50%	90.50%
Shanxi Huasheng Aluminum Co., Ltd. (山西華聖鋁業有限公司)	PRC	Limited liability company	1,000,000	Manufacture and distribution of primary aluminum, aluminum alloy and carbon-related products	51%	51%
Shanxi Huaze Aluminum and Power Co., Ltd (山西華澤鋁電有限公司)	PRC	Limited liability company	1,500,000	Manufacture and distribution of primary aluminum and anode carbon products and electricity generation and supply	60%	60%
Fushun Aluminum Co., Ltd. (撫順鋁業有限公司)	PRC	Limited liability company	700,000	Aluminum smelting, manufacture and distribution of nonferrous metals	100%	100%
Zunyi Aluminum Co., Ltd. (遵義鋁業股份有限公司)	PRC	Limited liability company	802,620	Manufacture and distribution of primary aluminum	62.10%	62.10%

(Amounts expressed in thousands of RMB unless otherwise stated)

10. Investments in subsidiaries *(Continued)*

Name	Place of incorporation and operation	Legal status	Registered and fully paid capital	Business nature and scope of operations	Effective equity interest held 2010	Effective equity interest held 2009
Chalco Zunyi Alumina Co., Ltd. ("Zunyi Alumina")(中國鋁業遵義氧化鋁有限公司) *(Note(ii))*	PRC	Limited liability company	Registered capital 1,400,000 Paid-in-capital 1,234,577	Manufacture and distribution of alumina	67%	67%
Shandong Huayu Aluminum and Power Co., Ltd. (山東華宇鋁電有限公司)	PRC	Limited liability company	1,627,697	Manufacture and distribution of primary aluminum	55%	55%
Gansu Hualu Aluminum Co., Ltd (甘肅華鷺鋁業有限公司)	PRC	Limited liability company	529,240	Manufacture and distribution of primary aluminum	51%	51%
Chalco Hong Kong Ltd. (中國鋁業香港有限公司)	Hong Kong	Limited liability company	HKD849,940,471	Oversea investments and alumina import and export activities	100%	100%
China Aluminum Mining Co., Ltd (中鋁礦業有限公司) *(Note (iii))*	PRC	Limited liability company	Registered capital 1,000,000 Paid-in-capital 700,000	Manufacture, acquisition and distribution of bauxite mines, limestone ore, aluminum magnesium ore and related nonferrous metal products	100%	100%
Jiaozuo Wanfang (焦作萬方股份有限公司) *(Note (iv))*	PRC	Limited liability company	480,176	Aluminum smelting, manufacture and distribution of nonferrous metals	24.002%	29%

The English names of subsidiaries represent the best effort by the management of the Group in translating their Chinese names as they do not have any official English names.

10. Investments in subsidiaries *(Continued)*

Notes:

(i) *In June 2010, the Company injected cash amounting to RMB287 million (2009: RMB657 million) into Chalco Ruimin. Thereafter, the Group's equity interest in Chalco Ruimin increased from 90.12% to 92.18%.*

(ii) *In September 2010, the Company injected cash amounting to RMB101 million (2009. RMB197 million), represented its share of the capital injection into Zunyi Alumina. As of December 31, 2010, the capital verification is in progress and other equity holder of Zunyi Alumina has not made its share of the capital injection.*

(iii) *The difference between paid-in capital and registered capital is due to the company was split up in 2010 and the capital verification is in progress, the registered capital remained unchanged.*

(iv) *In October 2010, the Company disposed a total of 5% equity interest of Jiaozuo Wanfang in an open market at market quoted price of the shares. Total cash proceeds less commission and other direct selling costs amounted to approximately RMB480 million. As a result of the disposal, the Company's equity interest in Jiaozuo Wanfang decreased from 29% to 24.002%, but the Company remains the single largest shareholder and its rights to nominate 5 of the 6 non-independent directors remained unchanged as of December 31, 2010 The balance of equity holdings in Jiaozuo Wanfang is dispersed and the other shareholders have not organized their interests and cannot easily organize themselves in such a way that they exercise more votes than the minority holder. In additions, all resolutions proposed by the Company in the past 3 years were approved. The directors of the Company are of the view that the Company has de facto control over Jiaozuo Wanfang.*

(v) *During the year ended December 31, 2010, apart from the capital injection as set out in Notes (i) and (ii), the Company injected cash amounting to RMB611 million (2009: RMB839 million) to other subsidiaries of the Company.*

(Amounts expressed in thousands of RMB unless otherwise stated)

11. Investments in jointly controlled entities/associates

(a) Investments in jointly controlled entities

Movements in investments in jointly controlled entities are as follows:

	Group		Company	
	2010	2009	**2010**	2009
As of January 1,	**685,459**	701,850	**734,530**	718,398
Capital injections	**71,325**	34,001	**71,325**	34,001
Share of profit/(loss) for the year	**233,784**	(50,392)	**—**	—
Impairment loss	**—**	—	**—**	(17,869)
As of December 31,	**990,568**	685,459	**805,855**	734,530

As of December 31, 2010, jointly controlled entities of the Group, all of which are unlisted, are as follows:

Name	Place of incorporation and operation	Legal status	Registered and fully paid capital	Business nature and scope of operations	Effective equity interest held	
					2010	2009
Shanxi Jinxin Aluminum Co., Ltd. ("Jinxin Aluminum") (山西晉信鋁業有限公司) *(Note (i))*	PRC	Limited liability company	20,000	Manufacture and distribution of primary aluminum	50%	50%
Guangxi Huayin Aluminum Co. Ltd. (廣西華銀鋁業有限公司) *(Note (ii))*	PRC	Limited liability company	2,441,987	Manufacture and distribution of alumina	33%	33%

For the year ended December 31, 2010 (Amounts expressed in thousands of RMB unless otherwise stated)

11. Investments in jointly controlled entities/associates *(Continued)*

(a) Investments in jointly controlled entities *(Continued)*

The English names of jointly controlled entities represent the best effort by the management of the Group in translating their Chinese names as they do not have any official English names.

Notes:

(i) As of December 31, 2010, the Group's investments in Jinxin Aluminum have been fully written-down and the Group does not have obligation to share any additional losses of Jinxin Aluminum.

(ii) During the year ended December 31, 2010, the Company injected cash amounting to RMB71 million (2009: RMB34 million) to Guangxi Huayin Aluminum Co. Ltd.

For the year ended December 31, 2010, the Group's shares of interests in its jointly controlled entities are as follows:

	December 31, 2010	December 31, 2009
Assets	**2,787,528**	2,754,414
Liabilities	**(1,796,960)**	(2,068,955)
Revenue	**1,333,472**	771,048
Profit/(loss)for the year	**233,784**	(50,392)
Proportionate interests in jointly controlled entities' capital commitments	**26,996**	169,652

There were no material contingent liabilities relating to the Group's interests in the jointly controlled entities and the jointly controlled entities themselves.

(Amounts expressed in thousands of RMB unless otherwise stated)

11. Investments in jointly controlled entities/associates *(Continued)*

(b) Investments in associates

Movements in investments in associates are as follows:

	Group		Company	
	2010	2009	**2010**	2009
As of January 1,	**197,070**	104,809	**30,000**	105,600
Capital injection/additions (*Note (i)*)	**748,650**	—	**—**	—
Transformation from a subsidiary to an associate (*Note (ii)*)	**30,000**	—	**30,000**	—
Disposal of an associate	**—**	—	**—**	(75,600)
Share of profit for the year	**240,028**	77,056	**—**	—
Share of change in reserves	**(3,140)**	15,205	**—**	—
As of December 31,	**1,212,608**	197,070	**60,000**	30,000

Notes:

(i) *During the year ended December 31, 2010, the Group injected cash amounting to RMB549 million (2009: nil) and RMB200 million (2009: nil) to Jiaozuo Coal Group Xinxiang (Zhaogu) Energy Corporation Co., Ltd. (焦作煤業集團新鄉(趙固)能源有限責任公司) and Henan Zhongfu Special Aluminum Co., Ltd (河南中孚特種鋁材有限公司), respectively, according to the Group's proportionate interest in the respective associates.*

(ii) *In March 2010, the Company entered into an investment agreement with Duofuduo Chemical Co., Ltd. ("Duofuduo Chemical") (多氟多化工有限公司). Pursuant to the agreement, Duofuduo Chemical injected cash of RMB37 million into Fushun Fluoride Co., Ltd. ("Fushun Fluoride") (撫順氟化鹽有限公司) for 55% equity interest in Fushun Fluoride. Thereafter, the Company's equity interest in Fushun Fluoride decreased from 100% to 45% and the Company ceased to have control from June 30, 2010 onwards. At the same time, Fushun Fluoride changed its name to Duofuduo (Fushun) Technology Development Co., Ltd. (多氟多(撫順)科技開發有限公司).*

(Amounts expressed in thousands of RMB unless otherwise stated)

11. Investments in jointly controlled entities/associates *(Continued)*

(b) Investments in associates *(Continued)*

As of December 31, 2010, associates of the Group, all of which are unlisted, are as follows:

Name	Place of incorporation and operation	Legal status	Registered and fully paid capital	Business nature and scope of operations	Effective equity interest held 2010	Effective equity interest held 2009
ABC-CA Fund Management Co., Ltd. (農銀匯理基金管理有限公司) *(Note (i))*	PRC	Limited liability company	200,000	Investments	15%	15%
Jiaozuo Coal Group Xinxiang (Zhaogu) Energy Corporation Co., Ltd. (焦作煤業集團新鄉(趙固)能源有限責任公司) *(Note (ii))*	PRC	Limited liability company	800,000	Coal production	7.2%	8.7%
Jiaozuo Wanfang Industry Co., Ltd. (焦作市萬方實業有限公司) *(Note (ii))*	PRC	Limited liability company	10,000	Sales of construction materials and other goods	7.2%	8.7%
Duofuduo(Fushun) Technology Development Co., Ltd (多氟多(撫順)科技開發有限公司)	PRC	Limited liability company	66,660	Manufacture and distribution of fluoride products	45.0%	—
Henan Zhongfu Special Aluminum Co., Ltd (河南中孚特種鋁材有限公司)	PRC	Limited liability company	Registered capital 769,000 Paid-in capital 251,088	Manufacture and distribution of aluminum fabrication products	23.4%	—

(Amounts expressed in thousands of RMB unless otherwise stated)

11. Investments in jointly controlled entities/associates *(Continued)*

(b) Investments in associates *(Continued)*

The English names of associates represent the best effort by the management of the Group in translating their Chinese names as they do not have any official English names.

Notes:

(i) The Company exercises significant influence over ABC-CA Fund Management Co., Ltd. through its appointment of a director into the board of directors of ABC-CA Fund Management Co., Ltd.

(ii) Jiaozuo Wanfang Industry Co., Ltd. and Jiaozuo Coal Group Xinxiang (Zhaogu) Energy Corporation Co., Ltd. are associate companies of the Group's 24.002% (2009: 29%) subsidiary, Jiaozuo Wanfang, in which it holds a 30% (2009: 30%) direct equity interest. As of December 31, 2010, the Group's effective interest in these associate companies decreased from 8.7% to 7.2% as a result of the partial disposal of Jiaozuo Wanfang (Note 10).

For the year ended December 31, 2010, the Group's shares of interests in its associates are as follows:

	December 31, 2010	December 31, 2009
Assets	**1,761,469**	603,273
Liabilities	**(548,861)**	(406,203)
Revenue	**998,846**	459,605
Profit for the year	**240,028**	77,056

(Amounts expressed in thousands of RMB unless otherwise stated)

12. Available-for-sale financial assets

	Group		Company	
	2010	2009	**2010**	2009
As of January 1,	**56,313**	38,214	**7,000**	7,000
Additions	**—**	20,000	**—**	—
Disposals	**(10,065)**	(283)	**—**	—
Fair value changes	**(1,370)**	(1,618)	**—**	—
As of December 31,	**44,878**	56,313	**7,000**	7,000

In December 2010, the Group disposed all its 5% equity interest in China Aluminum International Engineering Corporation Limited, a fellow subsidiary of the Company, to its parent company at a cash consideration of approximately RMB165 million (2009: nil). The disposal resulted a gain of RMB155 million (2009: nil) (Note 28(b)).

As of December 31, 2010, all (2009: RMB55 million) are unlisted securities in the PRC. All available-for-sale financial assets are denominated in RMB (2009: all in RMB).

(Amounts expressed in thousands of RMB unless otherwise stated)

13. Deferred income tax

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same tax authority. As of December 31, 2010, the analysis of deferred income tax assets and deferred income tax liabilities is as follows:

	Group		Company	
	December 31, 2010	December 31, 2009	**December 31, 2010**	December 31, 2009
Deferred income tax assets:				
— Deferred income tax assets to be recovered after more than 12 months	**404,650**	767,915	**94,624**	615,996
— Deferred income tax assets to be recovered within 12 months	**1,006,131**	879,325	**845,798**	583,098
	1,410,781	1,647,240	**940,422**	1,199,094
Deferred income tax liabilities:				
— Deferred income tax liabilities to be settled after more than 12 months	**—**	31,600	**—**	—
— Deferred income tax liabilities to be settled within 12 months	**—**	2,935	**—**	—
	—	34,535	**—**	—
	1,410,781	1,612,705	**940,422**	1,199,094

For the year ended December 31, 2010 (Amounts expressed in thousands of RMB unless otherwise stated)

13. Deferred income tax *(Continued)*

The movements in deferred income tax are as follows:

	Group		Company	
	2010	2009	**2010**	2009
As of January 1,	**1,612,705**	663,768	**1,199,094**	350,336
Recognition in other comprehensive income	**215**	244	—	—
Recognition in reserve	**(110,402)**		—	—
Recognition in profit or loss	**(91,737)**	948,693	**(258,672)**	848,758
As of December 31,	**1,410,781**	1,612,705	**940,422**	1,199,094

(Amounts expressed in thousands of RMB unless otherwise stated)

13. Deferred income tax *(Continued)*

The movements in deferred income tax assets and liabilities during the year ended December 31, 2010, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

Movement of deferred income tax assets:

	Group								
	Provision for impairment of receivables and inventories	Impairment of property, plant and equipment	Accrued expenses	Tax deduction on purchases of domestically manufactured equipment	Deductible tax losses	Unrealized profit at consolidation	Reversal of asset revaluation	Others	Total
As of January 1, 2009	229,789	23,115	3,714	280,297	211,845	19,030	60,366	53,359	881,515
Recognition in profit or loss	(157,436)	115,607	79,242	(220,205)	1,089,638	20,845	(6,936)	15,998	936,753
As of December 31, 2009	72,353	138,722	82,956	60,092	1,301,483	39,875	53,430	69,357	1,818,268
Recognition in reserve	–	–	–	–	(110,407)	–	–	–	(110,407)
Recognition in profit or loss	2,851	(51,000)	57,615	(51,166)	(126,407)	31,702	(27,238)	(7,964)	(171,607)
As of December 31, 2010	75,204	87,722	140,571	8,926	1,064,679	71,577	26,192	61,393	1,536,264

	Company								
	Provision for impairment of receivables and inventories	Impairment of property, plant and equipment	Accrued expenses	Tax deduction on purchases of domestically manufactured equipment	Deductible tax losses	Unrealized profit at consolidation	Reversal of asset revaluation	Others	Total
As of January 1, 2009	127,445	22,872	1,037	261,572	5,860	–	60,366	5,109	484,261
Recognition in profit or loss	(75,488)	115,608	70,910	(201,480)	939,868	–	(6,936)	16,261	858,743
As of December 31, 2009	51,957	138,480	71,947	60,092	945,728	–	53,430	21,370	1,343,004
Recognition in profit or loss	5,006	(103,603)	28,127	(51,166)	(247,359)	10,462	(27,238)	103,544	(281,227)
As of December 31, 2010	57,363	34,877	100,074	8,926	698,369	10,462	26,192	124,914	1,061,777

(Amounts expressed in thousands of RMB unless otherwise stated)

13. Deferred income tax *(Continued)*

Movement of deferred income tax liabilities:

	Group					
	Interest capitalization	Fair value changes of financial assets	Depreciation of property, plant and equipment	Amortization of intangible assets	Others	Total
As of January 1, 2009	133,230	448	27,998	2,020	54,051	217,747
Recognition in other comprehensive income	—	(244)	—	—	—	(244)
Recognition in profit or loss	(5,973)	17	6,618	674	(13,276)	(11,940)
As of December 31, 2009	127,257	221	34,616	2,694	40,775	205,563
Recognition in other comprehensive income	—	(215)	—	—	—	(215)
Recognition in profit or loss	(5,902)	2,570	(34,616)	(2,694)	(39,223)	(79,865)
As of December 31, 2010	121,355	2,576	—	—	1,552	125,483

	Company			
	Interest capitalization	Unrealized loss	Depreciation of property, plant and equipment	Total
As of January 1, 2009	133,230	—	695	133,925
Recognition in profit or loss	(5,973)	16,653	(695)	9,985
As of December 31, 2009	127,257	16,653	—	143,910
Recognition in profit or loss	(5,902)	(16,653)	—	(22,555)
As of December 31, 2010	121,355	—	—	121,355

(Amounts expressed in thousands of RMB unless otherwise stated)

13. Deferred income tax *(Continued)*

Deferred income tax assets are recognized for tax loss carry-forwards to the extent that the realization of the related tax benefit through future taxable profits is probable. The Group has not recognized deferred income tax assets of RMB529 million (2009: RMB468 million) in respect of accumulated tax losses amounting to RMB2,117 million (2009: RMB1,871 million) that can be carried forward against future taxable income as it was not considered probable that those assets would be realized. As of December 31, 2010, the expiry profile of these tax losses are analyzed as follows:

	Group		Company	
	December 31, 2010	December 31, 2009	**December 31, 2010**	December 31, 2009
Expiring in				
2011	**16,270**	16,270	**—**	—
2012	**279,094**	279,094	**—**	—
2013	**397,956**	397,956	**—**	—
2014	**971,634**	1,177,855	**10,426**	10,426
2015	**451,856**	—	**—**	—
Total	**2,116,810**	1,871,175	**10,426**	10,426

14. Other non-current assets

	Group		Company	
	December 31, 2010	December 31, 2009	**December 31, 2010**	December 31, 2009
Advances and deposits to suppliers	**164,745**	237,555	**140,000**	168,000
Other prepayments	**139,454**	163,572	**57,622**	80,156
	304,199	401,127	**197,622**	248,156

(Amounts expressed in thousands of RMB unless otherwise stated)

15. Inventories

	Group		Company	
	December 31, 2010	December 31, 2009	**December 31, 2010**	December 31, 2009
Raw materials	**9,498,670**	8,635,393	**5,870,079**	5,537,227
Work-in-progress	**5,710,686**	4,863,109	**3,396,319**	3,173,130
Finished goods	**5,632,858**	5,944,645	**1,405,895**	1,238,701
Spare parts	**1,033,063**	1,045,263	**661,467**	700,770
Packaging materials and others	**13,366**	9,139	**7,682**	3,901
	21,888,643	20,497,549	**11,341,442**	10,653,729
Less: provision for impairment of inventories	**(108,596)**	(74,322)	**(96,841)**	(67,696)
	21,780,047	20,423,227	**11,244,601**	10,586,033

Note: The Group classifies all alumina products manufactured by group companies which are held for primary aluminum production of other group companies as 'raw materials' at balance sheet date. Prior to 2010, the Group classifies all alumina product manufactured by group companies as 'finished goods'. Accordingly, the above 2009 comparative figures were reclassified to conform to current year presentation.

Movements on the provision for impairment of inventories are as follows:

	Group		Company	
	2010	*2009*	**2010**	*2009*
As of January 1,	**74,322**	984,489	**67,696**	467,223
Provision for impairment of inventories	**360,889**	33,756	**135,757**	27,858
Reversal arising from increase in net realisable value	**(199,305)**	—	**(84,560)**	—
Reversal upon sales of inventories	**(127,310)**	(943,923)	**(22,052)**	(427,385)
As of December 31,	**108,596**	74,322	**96,841**	67,696

(Amounts expressed in thousands of RMB unless otherwise stated)

16. Trade and notes receivable

	Group		Company	
	December 31, 2010	December 31, 2009	**December 31, 2010**	December 31, 2009
Trade receivables	**1,689,469**	1,840,813	**1,735,699**	2,157,087
Less: provision for impairment of receivables	**(401,066)**	(423,362)	**(379,537)**	(403,065)
	1,288,403	1,417,451	**1,356,162**	1,754,022
Notes receivable	**1,981,570**	1,785,631	**1,233,870**	1,170,264
	3,269,973	3,203,082	**2,590,032**	2,924,286

As of December 31, 2010, except for trade and notes receivable of the Group amounting to RMB530 million (2009: RMB739 million) and RMB8 million (2009: RMB6 million) which denominated in USD and EUR respectively, all other trade and notes receivable were denominated in RMB. All trade and notes receivable of the Company were denominated in RMB (2009: all).

Certain of the Group's sales were on advanced payments or documents against payment. In respect of sales to large and long-established customers, subject to negotiation, generally a credit period from 3 to 12 months may be granted The credit terms for sales to certain subsidiaries of Chinalco are receivable on demand. As of December 31, 2010, the ageing analysis of trade and notes receivable is as follows:

	Group		Company	
	December 31, 2010	December 31, 2009	**December 31, 2010**	December 31, 2009
Within 1 year	**3,148,858**	3,062,131	**2,288,302**	2,682,250
Between 1 and 2 years	**33,477**	89,570	**73,874**	133,237
Between 2 and 3 years	**54,716**	27,595	**130,734**	17,599
Over 3 years	**433,988**	447,148	**476,659**	494,265
	3,671,039	3,626,444	**2,969,569**	3,327,351

(Amounts expressed in thousands of RMB unless otherwise stated)

16. Trade and notes receivable *(Continued)*

The credit quality of trade and notes receivable that are neither past due nor impaired is assessed by reference to the counterparty's default history. As of December 31, 2010, there is no history of default for these customers above.

Trade and notes receivable that are past due less than one year are not considered impaired. As of December 31, 2010, trade and notes receivable of RMB103 million (2009: RMB131 million) of the Group and RMB284 million (2009: RMB218 million) of the Company were past due but not impaired. These receivables relate to a number of individual customers for whom there is no recent history of default. The ageing analysis of these trade and notes receivable is as follows:

	Group		**Company**	
	December 31, 2010	December 31, 2009	**December 31, 2010**	December 31, 2009
Within 1 year	**13,610**	25,478	**9,676**	6,203
Between 1 and 2 years	**33,117**	78,040	**73,611**	122,403
Between 2 and 3 years	**41,290**	11,597	**118,150**	4,488
Over 3 years	**15,214**	15,868	**83,061**	84,924
	103,231	130,983	**284,498**	218,018

(Amounts expressed in thousands of RMB unless otherwise stated)

16. Trade and notes receivable *(Continued)*

As of December 31, 2010, trade and notes receivable of RMB432 million (2009: RMB447 million) of the Group and RMB406 million (2009: RMB422 million) of the Company were substantially impaired and a provision of RMB401 million (2009: RMB423 million) and RMB380 million (2009: RMB403 million) was made, respectively. The individually impaired receivables mainly relate to customers which are in unexpected difficult economic situations. However, it was assessed that a small portion of the receivables is expected to be recovered. The ageing of these receivables is as follows:

	Group		Company	
	December 31, 2010	December 31, 2009	**December 31, 2010**	December 31, 2009
Between 2 and 3 years	**13,426**	15,998	**12,584**	13,111
Over 3 years	**418,774**	431,280	**393,598**	409,341
	432,200	447,278	**406,182**	422,452

Movements on the provision for impairment of trade and notes receivable are as follows:

	Group		Company	
	2010	2009	**2010**	2009
As of January 1,	**423,362**	421,862	**403,065**	403,525
Provision for impairment	**4,000**	20,690	**2,686**	18,700
Written off	**(25,680)**	(13,248)	**(25,680)**	(13,239)
Reversal	**(616)**	(5,942)	**(534)**	(5,921)
As of December 31,	**401,066**	423,362	**379,537**	403,065

(Amounts expressed in thousands of RMB unless otherwise stated)

17. Other current assets

	Group		Company	
	December 31, 2010	December 31, 2009	**December 31, 2010**	December 31, 2009
Advances and deposits to suppliers	**328,864**	395,457	**58,788**	23,170
Advances to employees	**35,179**	33,822	**20,954**	17,106
Value-added tax recoverable	**1,769,908**	1,587,023	**408,667**	278,832
Receivable of value-added tax refund	**141,511**	89,073	**—**	—
Dividends receivable	**—**		**141,651**	141,651
Receivables from sales of non-core businesses	**134,334**	134,585	**89,575**	116,670
Deposits for investments projects *(Note)*	**854,809**	255,054	**854,809**	255,054
Loans and receivables	**282,437**	381,804	**143,809**	167,352
Advance to subsidiaries	**—**	—	**3,335,782**	2,527,363
Others	**170,748**	217,686	**138,310**	148,167
	3,717,790	3,094,504	**5,192,345**	3,675,365
Less: provision for impairment of other receivables	**(186,553)**	(221,332)	**(175,250)**	(211,915)
	3,531,237	2,873,172	**5,017,095**	3,463,450
Prepaid income tax	**304,239**	291,507	**216,978**	218,933
Prepayments to suppliers for purchases	**2,304,493**	1,684,065	**537,588**	403,940
Total other current assets	**6,139,969**	4,848,744	**5,771,661**	4,086,323

(Amounts expressed in thousands of RMB unless otherwise stated)

17. Other current assets *(Continued)*

Note: As of December 31, 2010, deposits for investments projects mainly represent deposits paid for the proposed acquisition of certain business and assets related to coal and bauxite mines amounting to RMB640 million and RMB210 million, respectively.

As of December 31, 2009, deposits for investments projects mainly represent deposits paid for the proposed acquisitions of Fushun Power Plant and certain assets of other companies. As the proposed acquisitions did not implement according to the framework agreement, the entire deposits amounting to RMB255 million were refunded in February 2010.

As of December 31, 2010, except for other current assets of the Group amounting to RMB0.04 million (2009: RMB7.40 million), RMB3 million (2009: RMB0.5 million) and RMB7 million (2009: RMB0.5 million) which denominated in USD, HKD and AUD respectively, all other current assets were denominated in RMB. All other current assets of the Company were denominated in RMB (2009: all).

As of December 31, 2010, the ageing analysis of other receivables is as follows:

	Group		**Company**	
	December 31, 2010	December 31, 2009	**December 31, 2010**	December 31, 2009
Within 1 year	**3,380,547**	2,665,489	**3,212,560**	1,949,373
Between 1 and 2 years	**114,525**	123,717	**1,655,899**	616,434
Between 2 and 3 years	**9,871**	17,574	**14,332**	846,501
Over 3 years	**212,847**	287,724	**309,554**	263,057
	3,717,790	3,094,504	**5,192,345**	3,675,365

The credit quality of other receivables that are neither past due nor impaired is assessed by reference to the counterparty's default history.

For the year ended December 31, 2010 (Amounts expressed in thousands of RMB unless otherwise stated)

17. Other current assets *(Continued)*

Other receivables that are past due less than one year are generally not considered impaired. As of December 31, 2010, other receivables of RMB46 million (2009: RMB72 million) of the Group and RMB152 million (2009: RMB876 million) of the Company were past due but not impaired. The credit terms of these receivables were repayment on demand. The ageing analysis of these other receivables is as follows:

	Group		Company	
	December 31, 2010	December 31, 2009	**December 31, 2010**	December 31, 2009
Within 1 year	**4,642**	18,727	**1,390**	1,270
Between 1 and 2 years	**9,456**	14,758	**6,194**	3,652
Between 2 and 3 years	**9,410**	9,182	**14,279**	839,933
Over 3 years	**22,157**	29,362	**130,198**	30,788
	45,665	72,029	**152,061**	875,643

As of December 31, 2010, other receivables of RMB191 million (2009: RMB265 million) of the Group and RMB179 million (2009: RMB239 million) of the Company were impaired and a provision of RMB187 million (2009: RMB221 million) and RMB175 million (2009: RMB212 million) was made, respectively. It was assessed that a portion of the receivables is expected to be recovered. The ageing of these receivables is as follows:

	Group		Company	
	December 31, 2010	December 31, 2009	**December 31, 2010**	December 31, 2009
Between 2 and 3 years	**59**	7,033	**53**	6,568
Over 3 years	**190,690**	258,362	**179,356**	232,269
	190,749	265,395	**179,409**	238,837

(Amounts expressed in thousands of RMB unless otherwise stated)

17. Other current assets *(Continued)*

Movements on the provision for impairment of other receivables are as follows:

	Group		Company	
	2010	2009	**2010**	2009
As of January 1	**221,332**	224,544	**211,915**	215,539
Provision for impairment	**28,206**	844	**26,320**	164
Written off	**(60,400)**	(2,004)	**(60,400)**	(1,958)
Reversal	**(2,585)**	(2,052)	**(2,585)**	(1,830)
As of December 31	**186,553**	221,332	**175,250**	211,915

18. Bank balance and cash

	Group		Company	
	December 31, 2010	December 31, 2009	**December 31, 2010**	December 31, 2009
Restricted cash	**462,935**	365,409	**57,121**	31,418
Time deposits	**50,000**	91,941	**—**	
Cash and cash equivalents	**8,982,710**	7,401,410	**5,343,707**	4,350,873
	9,495,645	7,858,760	**5,400,828**	4,382,291

As of December 31, 2010, restricted cash mainly represented deposits held for issued letters of credit and notes payable (Note 24).

As of December 31, 2010, the annual effective interest rate of the above time deposits was 2.75% (2009: 5.00%) with average maturity of one year (2009: one year).

(Amounts expressed in thousands of RMB unless otherwise stated)

18. Bank balance and cash *(Continued)*

As of December 31, 2010, bank balances and cash on hand of the Group and of the Company were denominated in the following currencies.

	Group		Company	
	December 31, 2010	December 31, 2009	**December 31, 2010**	December 31, 2009
RMB	**9,054,616**	7,540,715	**5,400,828**	4,382,291
USD	**303,253**	103,754	**—**	—
HKD	**31,131**	46,822	**—**	
EUR	**3,003**	2,380	**—**	—
AUD	**103,642**	165,089	**—**	—
	9,495,645	7,858,760	**5,400,828**	4,382,291

19. Share capital

	Group and Company	
	December 31, 2010	December 31, 2009
A shares	**9,580,522**	9,580,522
H shares	**3,943,966**	3,943,966
	13,524,488	13,524,488

As of December 31, 2010 and 2009, all issued shares are registered and fully paid. Both A shares and H shares rank pari passu to each other.

Of the total issued A shares, the trading of the 5,649,217,045 A shares (2009: 5,649,217,045 A shares) held by Chinalco and its subsidiaries are subject to the Trading Moratorium and the Terms of the Trading Moratorium. Accordingly, these shares can only be traded after a lock-up period of 3-year, which expired on January 4, 2011.

(Amounts expressed in thousands of RMB unless otherwise stated)

20. Reserves

	Company					
	Share premium	Other capital reserves (Note (i))	Statutory surplus reserve (Note (ii))	Special reserve (Note (iii))	Retained earnings	Total
As of January 1, 2009	14,392,675	398,824	5,799,232	18,061	20,735,428	41,344,220
Loss for the year	—	—	—	—	(3,529,289)	(3,529,289)
Increase in reserve	—	—	—	8,229	—	8,229
Release of deferred government grants	—	1,400	—	—	—	1,400
Transformation from subsidiaries to branches	(1,891)	—	—	—	—	(1,891)
As of December 31, 2009	14,390,784	400,224	5,799,232	26,290	17,206,139	37,822,669
Profit for the year	—	—	—	—	440,103	440,103
Appropriation of surplus reserve	—	—	68,325	—	(68,325)	—
Increase in reserve	—	—	—	3,294	—	3,294
Release of deferred government grants	—	78,401	—	—	—	78,401
As of December 31, 2010	14,390,784	478,625	5,867,557	29,584	17,577,917	38,344,467

Notes:

(i) *Other capital reserves*

Other capital reserves mainly represent national debt fund reserve granted to certain branches and subsidiaries of the Company by the Ministry of Finance of the PRC ("MOF") to support various qualified technical projects of the Group. Pursuant to the relevant MOF documents, these funds were accounted for as a capital injection into the Company after all necessary share increase conditions are satisfied. These funds are mainly regarded as capital reserve before the relevant share increase conditions are met.

(ii) *Statutory surplus reserve*

Pursuant to the Company Law of the PRC, articles of association and board resolutions of the Company, the Company provides 10% from its net profit for the year determined in accordance with China Accounting Standards for the statutory surplus reserve until the balance of this reserve reaches 50% of the paid-up share capital. Statutory surplus reserve can be used to reduce any losses incurred or to increase share capital of the Company. Statutory surplus reserve balance should not fall below 25% of the registered capital after any such shares issuance.

(iii) *Special reserve*

Special reserve mainly represents funds set aside for the purpose of certain safety production activities. Pursuant to certain regulations issued by the State Administration of Work Safety of the PRC, the Group is required to set aside funds mainly for mining of bauxite and coal, coal gas production and construction service activities at prescribed rates. These funds can be used for maintenance and/or improvements of safety of these activities, and is not available for distribution to shareholders.

(Amounts expressed in thousands of RMB unless otherwise stated)

21. Borrowings

	Group		Company	
	December 31, 2010	December 31, 2009	**December 31, 2010**	December 31, 2009
Long-term borrowings				
Bank and other loans *(Note (a))*				
— Secured *(Note 25)*	**705,405**	798,627	—	—
— Guaranteed *(Note (e))*	**2,883,313**	4,250,715	**36,200**	92,354
— Unsecured	**20,483,474**	23,676,379	**11,578,052**	14,965,880
	24,072,192	28,725,721	**11,614,252**	15,058,234
Medium-term notes and Long-term bonds *(Note (b))*				
— Guaranteed *(Note (e))*	**1,986,133**	1,983,983	**1,986,133**	1,983,983
— Unsecured	**11,923,820**	9,921,250	**11,923,820**	9,921,250
	13,909,953	11,905,233	**13,909,953**	11,905,233
Total Long-term borrowings	**37,982,145**	40,630,954	**25,524,205**	26,963,467
Current portion of Long-term borrowings	**(10,258,278)**	(2,826,472)	**(7,747,725)**	(431,966)
Non-current portion of long term-borrowings	**27,723,867**	37,804,482	**17,776,480**	26,531,501
Estimated fair value of total Long-term borrowings	**37,886,755**	40,785,144	**25,423,944**	27,115,070

(Amounts expressed in thousands of RMB unless otherwise stated)

21. Borrowings *(Continued)*

	Group		Company	
	December 31, 2010	December 31, 2009	**December 31, 2010**	December 31, 2009
Short-term borrowings				
Bank loans *(Note (c))*				
— Secured *(Note 25)*	**215,000**	645,000	—	—
— Guaranteed *(Note (e))*	**1,225,000**	880,000	—	—
— Unsecured	**19,149,680**	21,468,285	**7,000,000**	10,800,000
	20,589,680	22,993,285	**7,000,000**	10,800,000
Short-term bonds, unsecured *(Note (d))*	**10,871,911**		**10,171,911**	
Current portion of Long-term borrowings	**10,258,278**	2,826,472	**7,747,725**	431,966
Total Short-term borrowings and current portion of Long-term borrowings	**41,719,869**	25,819,757	**24,919,636**	11,231,966

As of December 31, 2010, except for borrowings of the Group amounting to RMB50 million (2009: RMB49 million) and RMB938 million (2009: RMB299 million) which denominated in JPY and USD respectively, all other borrowings were denominated in RMB. All borrowings of the Company were denominated in RMB (2009: all).

(Amounts expressed in thousands of RMB unless otherwise stated)

21. Borrowings *(Continued)*

Notes:

(a) Long-term bank and other loans

(i) The maturity of long-term bank and other loans of the Group are set out below:

	Bank and other financial institution loans		Other loans	
	December 31, 2010	December 31, 2009	**December 31, 2010**	December 31, 2009
Within 1 year	**5,252,402**	2,775,641	**12,126**	50,831
Between 1 and 2 years	**3,612,382**	5,891,327	**12,126**	18,210
Between 2 and 5 years	**11,420,768**	13,861,595	**36,377**	54,629
Over 5 years	**3,673,783**	5,999,298	**52,228**	74,190
	23,959,335	28,527,861	**112,857**	197,860
Wholly repayable within 5 years	**19,788,446**	21,958,438	**—**	—

(Amounts expressed in thousands of RMB unless otherwise stated)

21. Borrowings *(Continued)*

Notes: (Continued)

(a) Long-term bank and other loans *(Continued)*

(ii) The maturity of long-term bank and other loans of the Company are set out below:

	Bank and other financial institution loans		**Other loans**	
	December 31, 2010	December 31, 2009	**December 31, 2010**	December 31, 2009
Within 1 year	**2,745,000**	384,000	**8,975**	47,966
Between 1 and 2 years	**737,500**	3,108,000	**8,975**	15,345
Between 2 and 5 years	**6,762,300**	8,670,500	**26,926**	46,034
Over 5 years	**1,307,000**	2,746,500	**17,576**	39,889
	11,551,800	14,909,000	**62,452**	149,234
Wholly repayable within 5 years	**9,935,000**	11,867,000	**—**	—

(iii) The weighted average annual interest rates of Long-term bank and other loans for the year ended December 31, 2010 and 2009 are 5.25% and 5.28%, respectively.

(Amounts expressed in thousands of RMB unless otherwise stated)

21. Borrowings *(Continued)*

Notes: (Continued)

(b) Medium-term notes and long-term bonds

As of December 31, 2010, outstanding long-term bonds and Medium-term notes are summarized as follows:

	Face value/ maturity	**Effective interest rate**	**December 31, 2010**	December 31, 2009
2007 Long-term bonds	2,000,000/2017	4.64%	**1,986,133**	1,983,983
2008 Medium-term notes	5,000,000/2011	5.62%	**4,993,750**	4,978,750
2008 Medium-term notes	5,000,000/2013	4.92%	**4,957,500**	4,942,500
2010 Medium-term notes	1,000,000/2015	4.34%	**986,381**	—
2010 Medium-term notes	1,000,000/2015	4.20%	**986,189**	—
			13,909,953	11,905,233

Long-term bonds and Medium-term notes were issued for capital expenditure purposes and operating cash flows and bank loans re-financing, respectively.

(c) Short-term bank loans

The weighted average annual interest rates of Short-term bank loans for the year ended December 31, 2010 and 2009 are 4.55% and 4.96%, respectively.

(Amounts expressed in thousands of RMB unless otherwise stated)

21. Borrowings *(Continued)*

Notes: (Continued)

(d) Short-term bonds

As of December 31, 2010, outstanding short-term bonds are summarized as follows:

	Face value/ maturity	**Effective interest rate**	**December 31, 2010**	December 31, 2009
2010 Short-term bonds	5,000,000/2011	3.04%	**5,101,634**	—
2010 Short-term bonds	5,000,000/2011	3.17%	**5,070,277**	—
2010 Short-term bonds	300,000/2011	3.70%	**300,000**	—
2010 Short-term bonds	400,000/2011	3.82%	**400,000**	—
			10,871,911	—

All the above Short-term bonds were issued for working capital.

(Amounts expressed in thousands of RMB unless otherwise stated)

21. Borrowings *(Continued)*

Notes: (Continued)

(e) Guaranteed long-term and short-term bank and other loans

Details of long-term and short-term bank and other loans in which the Group received guarantees are set out as follows:

Guarantors	**Group**		**Company**	
	December 31, 2010	December 31, 2009	**December 31, 2010**	December 31, 2009
Long-term bonds				
Bank of Communications (交通銀行股份有限公司)	**1,986,133**	1,983,983	**1,986,133**	1,983,983
Long-term loans				
Chinalco	**1,581,301**	2,315,760	—	—
Shanxi Zhangze Electric Power Co., Ltd. (山西漳澤電力股份有限公司) *(Note (ii))*	—	400,000	—	—
Luoyang Economic Investment Co., Ltd. ("Luoyang Economic") (洛陽市經濟投資有限公司) *(Note (ii))*	**98,832**	101,111	—	—
Lanzhou Aluminum Factory (蘭州鋁廠) *(Note (i))*	**36,200**	92,354	**36,200**	92,354

(Amounts expressed in thousands of RMB unless otherwise stated)

21. Borrowings *(Continued)*

Notes: (Continued)

(e) Guaranteed long-term and short-term bank and other loans *(Continued)*

Details of long-term and short-term bank and other loans in which the Group received guarantees are set out as follows: *(Continued)*

Guarantors	Group		Company	
	December 31, 2010	December 31, 2009	**December 31, 2010**	December 31, 2009
Yichuan Power Industrial Group Company ("Yichuan Power") (伊川電力集團總公司) *(Note (ii))*	**58,595**	70,115	—	—
Luoyang Longquan Aluminum Products Co., Ltd. (洛陽龍泉鋁業有限公司) *(Note (ii))*	**51,300**	57,000	—	—
China Nonferrous Metals Processing Technology Co.,Ltd (中色科技股份有限公司) *(Note (iii))*	**37,085**	44,375	—	—
The Company	**1,020,000**	1,170,000	—	—
	2,883,313	4,250,715	**36,200**	92,354

(Amounts expressed in thousands of RMB unless otherwise stated)

21. Borrowings *(Continued)*

Notes: (Continued)

(e) Guaranteed long-term and short-term bank and other loans *(Continued)*

Details of long-term and short-term bank and other loans in which the Group received guarantees are set out as follows: *(Continued)*

Guarantors	Group		Company	
	December 31, 2010	December 31, 2009	**December 31, 2010**	December 31, 2009
Short-term loans				
Chinalco	**1,225,000**	180,000	—	—
The Company	—	700,000	—	—
	1,225,000	880,000	—	—

Notes:

(i) Guarantor is a subsidiary of Chinalco and a shareholder of the Company.

(ii) Guarantors are non-controlling shareholders of certain subsidiaries of the Company.

(iii) Guarantor is a subsidiary of Chinalco.

22. Other Non-current liabilities

	Group		Company	
	December 31, 2010	December 31, 2009	**December 31, 2010**	December 31, 2009
Advances from customers	—	68,847	—	—
Obligations in relation to early retirement schemes	**208,378**	231,273	**171,314**	190,313
Others	**469,392**	225,034	**283,646**	130,159
	677,770	525,154	**454,960**	320,472

(Amounts expressed in thousands of RMB unless otherwise stated)

22. Other Non-current liabilities *(Continued)*

Obligations in relation to early retirement schemes:

During the years ended December 31, 2010 and 2009, certain subsidiaries and branches implemented certain early retirement benefit schemes which allow qualified employees to early retire on a voluntary basis. As of December 31, 2010, included in 'other non-current liabilities' were obligations in relation to retirement benefits under the Group's early retirement schemes as follows:

	Group		Company	
	2010	2009	**2010**	2009
As of January 1,	**303,205**	24,757	**250,758**	6,913
Provision made during the year *(Note 30)*	**69,072**	284,562	**63,843**	247,065
Interest costs	**5,778**	—	**2,267**	—
Utilization during the year	**(85,193)**	(6,114)	**(69,659)**	(3,220)
As of December 31,	**292,862**	303,205	**247,209**	250,758
Non-current	**208,378**	231,273	**171,314**	190,313
Current *(Note 23)*	**84,484**	71,932	**75,895**	60,445
	292,862	303,205	**247,209**	250,758

For the year ended December 31, 2010 (Amounts expressed in thousands of RMB unless otherwise stated)

23. Other payables and accrued expenses

	Group		Company	
	December 31, 2010	December 31, 2009	**December 31, 2010**	December 31, 2009
Payable for capital expenditures	**4,201,502**	4,382,597	**2,577,742**	2,787,657
Sales and other deposits from customers	**1,215,080**	1,679,594	**336,815**	454,294
Accrued payroll and bonus	**353,292**	8,677	**220,371**	--
Staff welfare payables	**159,579**	192,826	**90,075**	134,493
Contribution payable for retirement benefits	**38,640**	45,268	**9,697**	14,056
Current portion of obligation in relation to early retirement schemes *(Note 22)*	**84,484**	71,932	**75,895**	60,445
Taxes other than income taxes payable *(Note)*	**391,074**	353,547	**268,303**	209,526
Consideration payable for acquisition of businesses	**5,740**	13,497	**5,740**	13,497
Payables withheld as guarantees and deposits	**177,568**	157,817	**112,827**	108,957
Dividends Payable	**89,272**	115,978	**—**	—
Accrued interest	**359,990**	338,476	**307,477**	304,855
Others	**456,848**	567,779	**244,815**	394,488
	7,533,069	7,927,988	**4,249,757**	4,482,268

Note: Taxes other than income taxes payable mainly comprise accruals for value-added tax, resource tax, city construction tax and education surcharge.

(Amounts expressed in thousands of RMB unless otherwise stated)

23. Other payables and accrued expenses *(Continued)*

As of December 31, 2010, except for other payables and accured expenses of the Group amounting to RMB2 million (2009: RMB2 million), RMB1 million (2009: nil) and RMB7 million (2009: RMB16 million) which denominated in HKD, EUR and AUD respectively, all other other payables and accured expenses were denominated in RMB.

As of December 31, 2010, all other payables and accrued expense of the Company were denominated in RMB. As of December 31, 2009, except for other payables and accured expenses of the Company amounting to RMB4 million which denominated in HKD, all other other payables and accured expenses were denominated in RMB.

24. Trade and notes payable

	Group		Company	
	December 31, 2010	December 31, 2009	**December 31, 2010**	December 31, 2009
Trade payables	**4,339,300**	4,440,736	**2,388,614**	2,060,028
Notes payable	**2,037,042**	1,731,707	**33,490**	511,202
	6,376,342	6,172,443	**2,422,104**	2,571,230

As of December 31, 2010, except for trade and notes payable of the Group amounting to RMB41 million (2009: RMB70 million) and RMB1 million (2009 RMB54 million) which denominated in USD and EUR respectively, all other trade and notes payable were denominated in RMB. All trade and notes payable of the Company were denominated in RMB (2009: all).

For the year ended December 31, 2010 (Amounts expressed in thousands of RMB unless otherwise stated)

24. Trade and notes payable *(Continued)*

As of December 31, 2010, the ageing analysis of trade and notes payable is as follows:

	Group		Company	
	December 31, 2010	December 31, 2009	**December 31, 2010**	December 31, 2009
Within 1 year	**6,152,987**	5,892,834	**2,364,729**	2,486,570
Between 1 and 2 years	**68,421**	212,488	**21,160**	43,621
Between 2 and 3 years	**117,265**	31,131	**17,503**	20,105
Over 3 years	**37,669**	35,990	**18,712**	20,934
	6,376,342	6,172,443	**2,422,104**	2,571,230

25. Pledge of assets

The Group has pledged various assets as collateral against certain secured borrowings as set out in Note 21. As of December 31, 2010, a summary of these pledged assets is as follows:

	Group		Company	
	December 31, 2010	December 31, 2009	**December 31, 2010**	December 31, 2009
Property, plant and equipment	**1,116,883**	1,711,957	**—**	
Land use rights	**126,153**	320,055	**—**	—
Inventories	**45,000**	57,500	**—**	—
Trade and notes receivable	**55,000**	15,000	**—**	
	1,343,036	2,104,512	**—**	—

(Amounts expressed in thousands of RMB unless otherwise stated)

26. Selling and distribution expenses

	For the year ended December 31,	
	2010	2009
Transportation and loading expenses	**1,090,831**	812,479
Packaging expenses	**180,523**	145,518
Port expenses	**59,429**	71,418
Employee benefit expenses	**37,799**	36,954
Sales commissions and other handling fees	**12,990**	22,123
Warehouse and other storage fees	**30,119**	32,273
Marketing and advertising expenses	**14,818**	12,253
Depreciation of non-production property, plant and equipment *(Note 8)*	**9,337**	6,992
Others	**137,455**	124,910
	1,573,301	1,264,920

(Amounts expressed in thousands of RMB unless otherwise stated)

27. General and administrative expenses

	For the year ended December 31,	
	2010	2009
Employee benefit expenses	**840,371**	1,025,009
Taxes other than income tax expense *(Note)*	**614,704**	546,810
Depreciation of non-production property, plant and equipment *(Note 8)*	**207,075**	238,174
Amortization of land use rights and leasehold land *(Note 9)*	**58,745**	47,522
Amortization of intangible assets *(Note 7)*	**14,993**	22,505
Operating lease rental expenses	**106,098**	198,975
Traveling and entertainment	**141,472**	125,686
Utilities and office supplies	**82,737**	78,850
Pollutants discharge fees	**33,985**	40,230
Repairs and maintenance	**43,911**	48,644
Insurance expense	**79,513**	81,424
Auditors' remuneration	**25,698**	30,636
Legal and other professional fees	**23,370**	46,451
Others	**351,068**	425,590
	2,623,740	2,956,506

Note: Taxes other than income tax expense mainly comprise land use tax, property tax and stamp duty.

(Amounts expressed in thousands of RMB unless otherwise stated)

28. Other income and other gains, net

(a) Other income

For the year ended December 31, 2010, other income represented government grants amounting to RMB329 million (2009: RMB151 million).

(b) Other gains/(losses), net

	For the year ended December 31,	
	2010	2009
Realized gain on future and option contracts, net	**248,799**	456,337
Unrealized gain/(loss) on future and option contracts, net	**56,440**	(34,012)
Gain/(loss) on disposal of property, plant and equipment	**29,324**	(27,344)
Gain on disposal of available-for-sale financial assets	**156,066**	5,827
Others	**395**	3,028
	491,024	403,836

29. Finance costs, net

	For the year ended December 31,	
	2010	2009
Finance income — interest income from banks	**(91,109)**	(125,139)
Interest expense, net of capitalized interest *(Note 8)*	**2,575,661**	2,299,780
Exchange losses/(gains), net	**10,632**	(36,816)
Finance cost	**2,586,293**	2,262,964
Finance cost, net	**2,495,184**	2,137,825
Interest capitalization rate	**4.77%**	5.30%

(Amounts expressed in thousands of RMB unless otherwise stated)

30. Employee benefit expenses

	For the year ended December 31,	
	2010	2009
Salaries and bonus	**4,231,627**	3,992,582
Housing fund	**339,615**	355,305
Staff welfare and other expenses *(Note)*	**747,314**	773,575
Employment expense in relation to early retirement schemes *(Note 22)*	**69,072**	284,562
Retirement benefit costs-defined contribution schemes	**695,866**	809,877
	6,083,494	6,215,901

Note: Staff welfare and other expenses include staff welfare, staff union expenses, staff education expenses and unemployment insurance expenses, etc.

Employee benefit expenses include remuneration payables to directors, supervisors and senior management as set out in Note 31.

(Amounts expressed in thousands of RMB unless otherwise stated)

31. Directors', supervisors and senior management's remuneration

(a) Directors' and supervisors' remuneration

The aggregate amounts of remuneration payables to directors and supervisors of the Company during the year are as follows:

	For the year ended December 31,	
	2010	2009
Fees	**870**	994
Basic salaries, housing fund, other allowances and benefits in kind	**2,099**	2,536
Discretionary bonus	**929**	1,055
Retirement benefit costs-defined contribution schemes	**113**	131
	4,011	4,716

(Amounts expressed in thousands of RMB unless otherwise stated)

31. Directors', supervisors and senior management's remuneration *(Continued)*

(a) Directors' and supervisors' remuneration *(Continued)*

The remuneration of each director and supervisor of the Company for the year ended December 31, 2010 is set out below:

Name of directors and supervisors	Fees	Salary	Discretionary bonus	Pension	Total
Directors:					
Xiong Weiping		648	328	29	1,005
Luo Jianchuan	—	556	285	29	870
Chen Jihua (resigned on October 28, 2010)	—	428	151	26	605
Liu Xiangmin	—	467	165	29	661
Shi Chungui	150	—	—	—	150
Lv Youqing (appointed on June 22, 2010)	—	—	—	—	—
Kang Yi (resigned on June 22,2010)	99	—	—	—	99
Zhang Zhuoyuan	207	—	—	—	207
Zhu Demiao	207	—	—	—	207
Wang Mengkui	207	—	—	--	207
	870	2,099	929	113	4,011
Supervisors:					
Ao Hong	—	—	—	—	—
Yuan Li	—	—	—	—	—
Zhang Zhankui	—	—	—	—	—
	—	—	—	-	—
Total	870	2,099	929	113	4,011

(Amounts expressed in thousands of RMB unless otherwise stated)

31. Directors', supervisors and senior management's remuneration *(Continued)*

(a) Directors' and supervisors' remuneration *(Continued)*

The remuneration of each director and supervisor of the Company for the year ended December 31, 2009 is set out below:

Name of directors and supervisors	Fees	Salary	Discretionary bonus	Pension	Total
Directors:					
Xiong Weiping					
(appointed on May 26, 2009)	—	382	191	16	589
Xiao Yaqing					
(resigned on March 27, 2009)	·	271	137	11	419
Luo Jianchuan	—	560	293	26	879
Chen Jihua	—	469	169	26	664
Liu Xiangmin	—	469	169	26	664
Shi Chungui	150	—	—	—	150
Kang Yi	211	—	—		211
Zhang Zhuoyuan	211	—	—	—	211
Wang Mengkui	211	—	—	—	211
Zhu Demiao	211	—	—	—	211
	994	2,151	959	105	4,209
Supervisors:					
Ao Hong	—	—	—	-	—
Yuan Li	—	385	96	26	507
Zhang Zhankui	—	—	—	—	—
	—	385	96	26	507
Total	994	2,536	1,055	131	4,716

(Amounts expressed in thousands of RMB unless otherwise stated)

31. Directors', supervisors and senior management's remuneration *(Continued)*

(a) Directors' and supervisors' remuneration *(Continued)*

The remuneration of the directors and supervisors of the Company fell within the following bands:

	Number of individuals	
	2010	2009
nil to 1,000	**12**	13
1,000 to 1,500	**1**	—

During the year, no options were granted to the directors or the supervisors of the Company (2009: nil).

During the year, no emoluments were paid to the directors or the supervisors of the Company (including the five highest paid employees) as an inducement to join or upon joining the Company or as compensation for loss of office (2009: nil).

No directors or supervisors of the Company waived any remuneration during the respective years.

(b) Five highest paid individuals

During the year ended December 31, 2010, the five highest paid individuals of the Group include 3 (2009: 3) directors whose remunerations are reflected in the analysis presented above. The remuneration payable to the remaining 2 (2009: 2) individual during the year is as follows:

	For the year ended December 31,	
	2010	2009
Basic salaries, housing fund, other allowances and benefits in kind	**935**	936
Discretionary bonus	**330**	339
Retirement benefit costs-defined contribution plans	**52**	49
	1,317	1,324

(Amounts expressed in thousands of RMB unless otherwise stated)

32. Income tax expense/(benefit)

	For the year ended December 31,	
	2010	2009
Current income tax expense:		
PRC enterprise income tax	**319,479**	237,690
Deferred income tax expense/(benefit) *(Note 13)*	**91,737**	(948,693)
	411,216	(711,003)

The current income tax of the Group has been provided on the estimated assessable profit and the appropriate tax rates for the period. Certain branches and subsidiaries of the Company located in special regions of the PRC were granted tax concessions including preferential tax rates of 15% for a period of 10 years. In addition, the Group also enjoys a preferential policy on tax credits approved in prior years in respect of domestically manufactured production equipment purchased.

Upon the implementation of the new Corporate Income Tax Law ("CIT Law") from January 1, 2008, the applicable corporate income tax rate of the Group was adjusted to 25%. However, for those branches and subsidiaries of the Company which were entitled to a preferential rate of 15%, their income tax rate gradually increase to 25% over 5 years, while those entities located in the western region of China continue to enjoy the applicable preferential income tax rate of 15% without any upward adjustment before 2011, but will change to 25% thereafter.

Deferred income tax is calculated in full on temporary differences under the liability method using tax rates substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

For the year ended December 31, 2010 (Amounts expressed in thousands of RMB unless otherwise stated)

32. Income tax expense/(benefit) *(Continued)*

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profit/(loss) of the consolidated entities as follows:

	For the year ended December 31,	
	2010	2009
Profit /(loss)before income tax	**1,380,354**	(5,390,597)
Tax expense/(benefit) calculated at standard income tax rate of 25% (2009: 25%)	**345,089**	(1,347,649)
Tax effects of:		
Preferential income tax rates applicable to certain branches and subsidiaries	**(37,288)**	63,925
Impact of change on income tax rate	**54,252**	—
Tax losses for which no deferred income tax assets were recognized *(Note 13)*	**110,015**	294,464
Utilization of previously unrecognized tax losses and expenses	**(48,606)**	—
Tax credit for purchases of qualified domestic-made equipment not recognized *(Note 13)*	—	220,205
Tax incentive in relation to deduction limits of certain expenses	**(13,267)**	(23,777)
Income not subject to tax	**(147,484)**	(9,420)
Expenses not deductible for tax purposes	**148,505**	91,249
Income tax expense/(benefit)	**411,216**	(711,003)
Weighted average effective tax rate	**29.79%**	13.19%

Share of income tax expense of associates and jointly controlled entities of RMB77 million (2009: RMB27 million) and RMB23 million (2009: nil) were included in 'shares of profits of associate' and 'shares of profits of jointly controlled entities', respectively.

The change of the weighted average effective tax rate is mainly caused by certain tax losses for which no deferred income tax assets were recognized.

(Amounts expressed in thousands of RMB unless otherwise stated)

33. Earnings/(losses) per share

(a) Basic

Basic earnings/(losses) per share is calculated by dividing the profit/(loss) attributable to equity holders of the Company by the weighted average number of shares in issue during the year.

	For the year ended December 31,	
	2010	2009
Profit/(loss) attributable to equity holders of the Company *(RMB)*	**778,008,000**	(4,642,894,000)
Weighted average number of ordinary shares in issue	**13,524,487,892**	13,524,487,892
Basic earnings/(losses) per share *(RMB)*	**0.06**	(0.34)

(b) Diluted

Basic earnings/(losses) per share for the years ended December 31, 2010 and 2009 is the same as the diluted earnings/(losses) per share as there are no dilutive potential shares.

34. Dividends

According to the articles of association of the Company, the Company considers the maximum limit of profit appropriation to its shareholders is the lower of:

(i) the sum of current period net profit and opening retaining earnings in accordance with IFRS,

(ii) the sum of current period net profit and opening retaining earnings in accordance with China Accounting Standards, and

(iii) amount limited by the Company Law of the PRC.

No dividend was paid by the Company for the year ended December 31, 2010 (2009: nil).

A dividend in respect of the year ended December 31, 2010 of RMB0.0114 per ordinary share, amounting to a total dividend of RMB154 million (2009: nil), is to be proposed at the forecoming annual general meeting. These financial statements do not reflect this dividend payable.

(Amounts expressed in thousands of RMB unless otherwise stated)

35. Cash flows generated from/(used in) operating activities

	Note	For the year ended December 31, 2010	2009
Cash flows generated/(used in) from operating activities			
Profit/(loss) before income tax		**1,380,354**	(5,390,597)
Share of (profits)/losses of jointly controlled entities	11(a)	**(233,784)**	50,392
Share of profits of associates	11(b)	**(240,028)**	(77,056)
Depreciation of property, plant and equipment	8	**5,889,393**	5,935,784
Net (gain)/loss on disposal of property, plant and equipment	28	**(29,324)**	27,344
Gain on disposals of available-for-sale financial assets	28	**(156,066)**	(5,827)
Impairment charge/write-off on property, plant and equipment	8	**701,781**	623,791
Amortization of intangible assets	7	**67,577**	65,991
Amortization of prepaid land use rights	9	**58,745**	47,522
Amortization of prepaid expenses		**68,385**	25,982
Realized and unrealized gain on futures and option contracts	28	**(305,239)**	(422,325)
Interest income		**(4,879)**	(4,785)
Interest expense		**2,586,293**	2,262,964
Others		**(19,967)**	(3,026)
		9,763,241	3,136,154

(Amounts expressed in thousands of RMB unless otherwise stated)

35. Cash flows generated from/(used in) operating activities *(Continued)*

		For the year ended December 31,	
	Note	**2010**	2009
Changes in working capital:			
Increase in inventories		**(1,356,821)**	(512,804)
Increase in trade and notes receivable		**(237,764)**	(1,342,354)
Increase in other current assets		**(515,519)**	(650,380)
Increase in restricted cash	18	**(97,526)**	(122,656)
Decrease in other non-current assets		**72,809**	391,040
Increase in trade and notes payable		**53,100**	1,585,853
Decrease in other payables and accrued expenses		**(252,088)**	(2,967,557)
Decrease in other non-current liabilities		**(25,102)**	(21,878)
Cash generated from/(used in) operating activities		**7,404,330**	(504,582)
PRC enterprise income taxes paid		**(300,471)**	(201,372)
Net cash generated from/(used in) operating activities		**7,103,859**	(705,954)

36. Significant related party balances and transactions

The Company is controlled by Chinalco, the parent company and a state-owned enterprise established in the PRC. Chinalco itself is controlled by the PRC government, which also owns a significant portion of the productive assets in the PRC. In accordance with IAS 24 (revised), "Related Party Disclosures", government-related entities and their subsidiaries, directly or indirectly controlled, jointly controlled or significantly influenced by the PRC government are defined as related parties of the Group. On that basis, related parties include Chinalco and its subsidiaries (other than the Group), other government-related entities and their subsidiaries ("other state-owned enterprises"), other entities and corporations in which the Company is able to control or exercise significant influence and key management personnel of the Company and Chinalco as well as their close family members.

For the purposes of the related party transaction disclosures, the directors of the Company believe that meaningful information in respect of related party transactions has been adequately disclosed.

In addition to the related party information and transactions disclosed elsewhere in the consolidated financial statements, the following is a summary of significant related party transactions entered in the ordinary course of business between the Group and its related parties during the year.

(Amounts expressed in thousands of RMB unless otherwise stated)

36. Significant related party balances and transactions *(Continued)*

(a) Significant related party transactions

	Note	For the year ended December 31, 2010	2009
Sales of goods and services rendered:			
Sales of materials and finished goods, including:	(i)		
Chinalco and its subsidiaries		**6,069,774**	2,788,571
Associates of Chinalco		**31,869**	3,596
Associates		—	396
Non-controlling shareholder of a subsidiary and its subsidiaries		**4,452,683**	3,638,739
		10,554,326	6,431,302
Provision of utility services, including:	(ii)		
Chinalco and its subsidiaries		**332,701**	341,172
Associates of Chinalco		**8,156**	9,572
Non-controlling shareholder of a subsidiary and its subsidiaries		—	1,510
		340,857	352,254

(Amounts expressed in thousands of RMB unless otherwise stated)

36. Significant related party balances and transactions *(Continued)*

(a) Significant related party transactions *(Continued)*

	Note	For the year ended December 31, 2010	2009
Purchase of goods and services:			
Purchase of engineering, construction and supervisory services from, including:	(iii)		
Chinalco and its subsidiaries		**3,503,363**	4,947,307
Non-controlling shareholder of a subsidiary and its subsidiaries		**5,894**	19,740
		3,509,257	4,967,047
Purchases of key and auxiliary materials and finished goods from, including:	(iv)		
Chinalco and its subsidiaries		**4,232,369**	2,630,835
Associates of Chinalco		**323,835**	74,818
Jointly controlled entities		**1,321,202**	911,462
Associates		**1,458**	4,665
Non-controlling shareholder of a subsidiary and its subsidiaries		**2,483,173**	2,595,829
		8,362,037	6,217,609

For the year ended December 31, 2010 (Amounts expressed in thousands of RMB unless otherwise stated)

PUBLIC FILE 37

36. Significant related party balances and transactions *(Continued)*

(a) Significant related party transactions *(Continued)*

		For the year ended December 31,	
	Note	**2010**	2009
Provision of social services and logistics services by, including:	(v)		
Chinalco and its subsidiaries		**264,049**	502,999
Non-controlling shareholder of a subsidiary and its subsidiaries		**475**	5,565
		264,524	508,564
Provision of utilities services by, including:	(ii)		
Chinalco and its subsidiaries		**163,708**	212,312
Associates of Chinalco		**7,663**	–
Non-controlling shareholder of a subsidiary and its subsidiaries		**100,952**	73,369
		272,323	285,681
Rental expenses for land use rights and buildings charged by Chinalco and its subsidiaries	(vi)	**643,432**	762,278
Commission processing by Chinalco and its subsidiaries	(i)	**137,601**	50,687

36. Significant related party balances and transactions *(Continued)*

(a) Significant related party transactions *(Continued)*

During the year ended December 31, 2010, the Group's significant transactions with other state-owned enterprises (excluding Chinalco and its subsidiaries) are a large portion of its sales of goods and purchases of raw materials, electricity, property, plant and equipment and services. In addition, substantially all restricted cash, time deposits, cash and cash equivalents and borrowings as of December 31, 2010 and the relevant interest earned or paid during the year are transacted with banks and other financial institutions controlled by the PRC government.

All transactions with related parties are conducted on prices and terms mutually agreed by the parties involved, and determined based on the following:

(i) Sales of materials and finished goods comprised sales of alumina, primary aluminum, copper and scrap materials. Transactions entered are covered by general agreements on mutual provision of production supplies and ancillary services. The pricing policy is summarized below:

(1) Adoption of the price prescribed by the PRC government ("Stated-prescribed price");

(2) If there is no State-prescribed price then adoption of state-guidance price;

(3) If there is neither State-prescribed price nor state-guidance price, then adoption of market price (being price charged to and from independent third parties); and

(4) If none of the above is available, then adoption of a contractual price.

(ii) Utility services, including electricity, gas, heat and water, are supplied at Stated-prescribed price.

36. Significant related party balances and transactions *(Continued)*

(a) Significant related party transactions *(Continued)*

(iii) Engineering, project construction and supervisory services were provided for construction projects of the Company. The state-guidance price or prevailing market price (including tender price where by way of tender) is adopted for pricing purposes.

(iv) The pricing policy for purchases of key and auxiliary materials (including bauxite, limestone, carbon, cement, coal, etc.) and finished goods(including alumina, primary aluminum, other non-ferrous metal products, etc.) is the same as that set out in (i) above.

(v) Social services and logistics services provided by Chinalco Group cover public security, fire services, education and training, school and hospital services, cultural and physical education, newspaper and magazines, broadcasting and printing as well as property management, environmental and hygiene, greenery, nurseries and kindergartens, sanatoriums, canteens and offices, public transport and retirement management and other services. Provisions of these services are covered by the Comprehensive Social and Logistics Services Agreement. The pricing policy is the same as that set out in (i) above.

(vi) Pursuant to the Land Use Rights Lease Agreements entered into between the Group and Chinalco Group, operating leases for industrial or commercial land are charged at market rent rate. The Group also entered into building rental agreement with Chinalco Group and pays rent based on market rate for its lease of buildings owned by Chinalco.

(vii) Pursuant to Trademark License Agreement, the Company granted to Chinalco a non-exclusive right to use two trademarks for a period of ten years from July 1, 2001 to June 30, 2011 at zero cost. The Company will be responsible for the payment of a total annual fee of no more than RMB1,000.00 to maintain effective registration. According to the agreement terms, Chinalco may negotiate extension of effective period in using these trademarks.

(Amounts expressed in thousands of RMB unless otherwise stated)

36. Significant related party balances and transactions *(Continued)*

(b) Balances with related parties

Other than those disclosed elsewhere in the consolidated financial statements, the outstanding balances with related entities at year-end are as follows:

	Group		Company	
	December 31, 2010	December 31, 2009	**December 31, 2010**	December 31, 2009
Trade and notes receivable				
Subsidiaries of the Company	**—**	—	**1,015,859**	1,471,845
Chinalco and its subsidiaries	**397,098**	329,194	**301,217**	265,276
Associates of Chinalco	**683**	656	**656**	656
Non-controlling shareholder of a subsidiary and its subsidiaries	**119,309**	146,663	**21,221**	20,180
	517,090	476,513	**1,338,953**	1,757,957
Less: provision for impairment of receivables	**(150,261)**	(150,315)	**(150,261)**	(150,315)
	366,829	326,198	**1,188,692**	1,607,642

(Amounts expressed in thousands of RMB unless otherwise stated)

36. Significant related party balances and transactions *(Continued)*

(b) Balances with related parties *(Continued)*

Other than those disclosed elsewhere in the consolidated financial statements, the outstanding balances with related entities at year-end are as follows: *(Continued)*

	Group		Company	
	December 31, 2010	December 31, 2009	**December 31, 2010**	December 31, 2009
Other current assets				
Subsidiaries of the Company	—	—	**2,974,561**	2,225,421
Chinalco and its subsidiaries	**60,070**	48,838	**23,965**	23,258
Associates of Chinalco	—	8,362	—	8,362
Associates	**13,915**	-	—	—
Jointly controlled entity	**53,887**	17,631	**17,631**	17,631
Non-controlling shareholder of a subsidiary and its subsidiaries	**10,070**	43,718	—	56,822
	137,942	118,549	**3,016,157**	2,331,494
Less: provision for impairment of receivables	**(35,912)**	(19,274)	**(35,912)**	(19,274)
	102,030	99,275	**2,980,245**	2,312,220
Trade and notes payable				
Subsidiaries of the Company	—	—	**89,838**	10,555
Chinalco and its subsidiaries	**146,078**	284,593	**44,899**	46,809
Associates of Chinalco	**1,095**	1,415	**874**	1,380
Associates	**1,001**	210	—	--
Non-controlling shareholder of a subsidiary and its subsidiaries	**3,655**	7,467	**177**	83
	151,829	293,685	**135,788**	58,827

(Amounts expressed in thousands of RMB unless otherwise stated)

36. Significant related party balances and transactions *(Continued)*

(b) Balances with related parties *(Continued)*

Other than those disclosed elsewhere in the consolidated financial statements, the outstanding balances with related entities at year-end are as follows: *(Continued)*

	Group		Company	
	December 31, 2010	December 31, 2009	**December 31, 2010**	December 31, 2009
Other payables and accrued expense				
Subsidiaries of the Company	—	—	**250,396**	237,349
Chinalco and its subsidiaries	**2,337,462**	2,383,291	**1,179,959**	1,362,928
Associates of Chinalco	**756**	656	**473**	473
Jointly controlled entity	**332**	3,729	**332**	332
Associates	**2,400**	—	**2,100**	—
Non-controlling shareholder of a subsidiary and its subsidiaries	**13,436**	14,914	**493**	3,993
	2,354,386	2,402,590	**1,433,753**	1,605,075

As of December 31, 2010, included in long-term borrowings and short-term borrowings and current portion of long-term borrowings are borrowings payable to other state-owned enterprises amounting to RMB20,148 million (2009: RMB25,602 million), RMB23,959 million (2009: RMB22,653 million) and RMB5,252 million (2009: RMB2,742 million), respectively.

The terms of all balances were in accordance with terms as set out in the respective agreements or as mutually agreed between the parties concerned.

(Amounts expressed in thousands of RMB unless otherwise stated)

36. Significant related party balances and transactions *(Continued)*

(c) Key management personnel compensation

	For the year ended December 31,	
	2010	2009
Fees	**870**	994
Basic salaries, housing fund, other allowances and benefits in kind	**3,476**	3,914
Discretionary bonus	**1,384**	1,521
Pension costs-defined contribution schemes	**192**	206
	5,922	6,635

37. Contingent liabilities

As of December 31, 2010, the Group and the Company do not have significant contingent liabilities.

(Amounts expressed in thousands of RMB unless otherwise stated)

38. Commitments

(a) Capital commitments of property, plant and equipment

	Group		Company	
	December 31, 2010	December 31, 2009	**December 31, 2010**	December 31, 2009
Contracted but not provided for	**4,611,998**	3,918,198	**3,100,290**	2,288,292
Authorized but not contracted for	**28,875,235**	30,492,501	**14,464,758**	24,414,538
	33,487,233	34,410,699	**17,565,048**	26,702,830

(b) Commitments under operating leases

Pursuant to non-cancelable lease agreements entered into by the Group and the Company, the future aggregate minimum lease payments as of December 31, 2010 are summarized as follows:

	Group		Company	
	December 31, 2010	December 31, 2009	**December 31, 2010**	December 31, 2009
Not later than one year	**626,204**	782,744	**190,562**	269,076
Later than one year and not later than five years	**2,484,490**	3,110,657	**729,116**	1,043,177
Later than five years	**19,052,618**	23,877,969	**4,964,211**	7,047,293
	22,163,312	27,771,370	**5,883,889**	8,359,546

38. Commitments *(Continued)*

(c) Commitments for capital contribution

In April, 2006, the Company entered into an investment agreement with Guizhou Wujiang Hydropower Development Co., Ltd to jointly establish Zunyi Alumina in which the Company holds 67% equity interest. As of December 31, 2010, the Company had injected a total of RMB861 million (2009: RMB760 million) and is obliged to inject an additional RMB101 million under the revised agreement which is expected to be completed in 2011.

In May 2010, the Company entered into an investment agreement with Xiaoyi Mining Co., Ltd. to jointly establish Shanxi Huayi Mining Co., Ltd. with registered capital amounting to RMB80 million. The Company is obliged to inject cash amounting to RMB41 million and holds 51% equity interest of the investee under the agreement. As of December 31, 2010, the Company had injected a total of RMB8 million (2009: nil) and is obliged to inject an additional RMB33 million.

In December 2010, the Company entered into an investment agreement with Guizhou Industrial Investment (Group) Co., Ltd. and Shanghai Enyuan Industry Co., Ltd. to jointly establish Guizhou Chalco Aluminum Co., Ltd. with registered capital amounting to RMB320 million. The Company is obliged to inject capital amounting to RMB128 million including equipment amounting to RMB45 million and cash amounting to RMB83 million, and holds 40% equity interest of the investee under the agreement. As of December 31, 2010, the Company did not inject any capital.

39. Subsequent events

On January 30, 2011, the Board of Directors approved the Company's private placement of not more than one billion A shares to raise not more than RMB9 billion (the "A Share Placement"). The target subscribers are institutional investors and general public investors. The A Share Placement is subject to approval by the equity holders of the Company and the relevant authorities in the PRC.

PUBLIC
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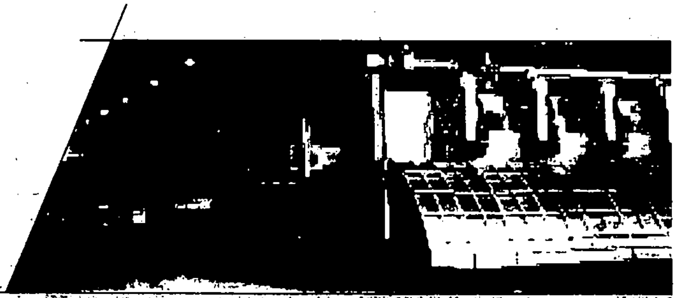
28

CHALCO

中国铝业股份有限公司

ALUMINUM CORPORATION OF CHINA LIMITED

No. 62 North Xizhimen Street, Haidian District, Beijing,
the People's Replubic of China (100082)
Tel: 8610-8229 8103
Fax: 8610-8229 8158
Web: www.chalco.com.cn



ATTACHMENT 50

中国铝业股份有限公司

601600

2009 年年度报告

目录

一、重要提示

(一) 本公司董事会、监事会及其董事、监事、高级管理人员保证本报告所载资料不存在任何虚假记载、误导性陈述或者重大遗漏，并对其内容的真实性、准确性和完整性承担个别及连带责任。

(二) 公司全体董事出席董事会会议。

(三) 普华永道中天会计师事务所有限公司为本公司出具了标准无保留意见的审计报告。

(四)

公司负责人姓名	熊维平
主管会计工作负责人姓名	陈基华
会计机构负责人（会计主管人员）姓名	卢东亮（会计机构原负责人为欧小武，于 2009 年 12 月 23 日辞任,现负责人卢东亮于 2009 年 12 月 23 日继任）

公司负责人熊维平、主管会计工作负责人陈基华及会计机构负责人（会计主管人员）卢东亮（会计机构原负责人为欧小武，于 2009 年 12 月 23 日辞任,现负责人卢东亮于 2009 年 12 月 23 日继任）声明：保证年度报告中财务报告的真实、完整。

(五) 是否存在被控股股东及其关联方非经营性占用资金情况？
否

(六) 是否存在违反规定决策程序对外提供担保的情况？
否

二、公司基本情况

(一) 公司信息

公司的法定中文名称	中国铝业股份有限公司
公司的法定中文名称缩写	中国铝业
公司的法定英文名称	ALUMINUM CORPORATION OF CHINA LIMITED
公司的法定英文名称缩写	CHALCO
公司法定代表人	熊维平

(二) 联系人和联系方式

	董事会秘书	证券事务代表
姓名	刘强	申 慧（2009 年财政年度，证券事务代表为张青，于 2010 年 3 月 26 日辞任）
联系地址	中国北京海淀区西直门北大街 62 号	中国北京海淀区西直门北大街 62 号
电话	8610 8229 8103	8610 8229 8560
传真	8610 8229 8158	8610 8229 8158
电子信箱	IR_FAQ@chalco.com.cn	IR_FAQ@chalco.com.cn

PUBLIC FILE 24

(三) 基本情况简介

注册地址	中国北京海淀区西直门北大街 62 号
注册地址的邮政编码	100082
办公地址	中国北京海淀区西直门北大街 62 号
办公地址的邮政编码	100082
公司国际互联网网址	http://www.chalco.com.cn
电子信箱	IR_FAQ@chalco.com.cn

(四) 信息披露及备置地点

公司选定的信息披露报纸名称	中国证券报,证券时报
登载年度报告的中国证监会指定网站的网址	上海证券交易所网站
公司年度报告备置地点	中国北京海淀区西直门北大街 62 号本公司董事会秘书室

(五) 公司股票简况

公司股票简况				
股票种类	股票上市交易所	股票简称	股票代码	变更前股票简称
A 股	上海证券交易所	中国铝业	601600	
H 股	香港联合交易所有限公司	中国铝业	2600	
ADR	纽约证券交易所	CHALCO	ACH	

(六) 其他有关资料

公司首次注册登记日期		2001 年 9 月 10 日
公司首次注册登记地点		中国北京海淀区复兴路乙 12 号
首次变更	公司变更注册登记日期	2008 年 6 月 16 日
	公司变更注册登记地点	中国北京海淀区西直门北大街 62 号
	企业法人营业执照注册号	100000000035734
	税务登记号码	110108710928831
	组织机构代码	71092883-1
公司聘请的会计师事务所名称		普华永道中天会计师事务所有限公司
公司聘请的会计师事务所办公地址		上海 湖滨路 202 号 普华永道中心 11 楼
公司其他基本情况	公司简介 中国铝业股份有限公司（简称「中国铝业」或「本公司」）及其附属公司（「本集团」）是在中华人民共和国（中国）注册成立的股份有限公司；其股票分别在纽约证券交易所、香港联合交易所有限公司及上海证券交易所挂牌上市。 本集团经营的业务主要包括铝土矿勘探和开采；氧化铝、原铝和铝加工产品的生产、销售及研究。本集团的主要产品有：氧化铝、原铝、铝加工、镓和碳素制品等。 本集团是中国最大的氧化铝、原铝和铝加工生产商，也是全球第二大氧化铝生产商和第三大原铝生产商。 本集团的竞争力主要表现在： 在中国氧化铝、原铝及铝加工市场占据领先的战略性地位；拥有充足且可靠稳定的铝土矿资源及提炼技术；拥有完善的产业链，能够较好地抵抗市场风险。 本集团主要包括以下分公司、附属公司及联营公司：	

PUBLIC FILE 23

	分公司： 山东分公司（主要生产氧化铝／原铝产品）； 河南分公司（主要生产氧化铝／原铝产品）； 贵州分公司（主要生产氧化铝／原铝产品）； 山西分公司（主要生产氧化铝产品）； 广西分公司（主要生产氧化铝／原铝产品）； 中州分公司（主要生产氧化铝产品）； 青海分公司（主要生产原铝产品）； 兰州分公司（主要生产原铝产品）； 连城分公司（主要生产原铝产品）； 重庆分公司（主要生产氧化铝产品；建设中）； 西北铝加工分公司（主要生产铝加工产品）； 郑州研究院（主要进行研发服务）。 附属公司： 山西华泽铝电有限公司（「山西华泽」）（主要生产原铝产品）； 山西华圣铝业有限责任公司（「山西华圣」）（主要生产原铝产品）； 抚顺铝业有限公司（「抚顺铝业」）（主要生产原铝产品）； 遵义铝业股份有限公司（「遵义铝业」）（主要生产原铝产品）； 山东华宇铝电有限公司（「山东华宇」）（主要生产原铝产品）； 甘肃华鹭铝业有限公司（「甘肃华鹭」）（主要生产原铝产品）； 包头铝业有限公司（「包头铝业」）（主要生产原铝产品）； 焦作万方铝业股份有限公司（「焦作万方」）（主要生产原铝产品）； 中铝青岛轻金属有限公司（「青岛轻金属」）（主要生产再生铝产品）； 中铝西南铝冷连轧板带有限公司（「西南铝冷连轧」）（主要生产铝加工产品）； 中铝瑞闽铝板带有限公司（「中铝瑞闽」）（主要生产铝加工产品）； 中铝河南铝业有限公司（「河南铝业」）（主要生产铝加工产品）； 华西铝业有限责任公司（「华西铝业」）（主要生产铝加工产品）； 中铝西南铝板带有限公司（「西南铝板带」）（主要生产铝加工产品）； 中铝矿业有限公司（「中铝矿业」）（主要开采铝土矿）； 中铝国际贸易有限公司（「中铝国贸」）（主要从事氧化铝和原铝产品的贸易）； 中国铝业香港有限公司（「中铝香港」）（主要进行海外项目开发）； 中国铝业遵义氧化铝有限公司（「遵义氧化铝」）（主要生产氧化铝产品；建设中）； 中铝南海合金有限公司（「中铝南海」）（主要生产铝加工产品）； 山西华泰炭素有限责任公司（[山西炭素]）（主要生产碳素产品）； 抚顺氟化盐有限公司（「抚顺氟化盐」）（主要生产氟化盐产品；建设中）； 山西龙门铝业有限公司（「龙门铝业」）（主要生产原铝产品）； 中铝太岳矿业有限公司（「太岳矿业」）（主要开采铝土矿；建设中）。 合营企业： 广西华银铝业有限公司（「广西华银」）（主要生产氧化铝产品），本集团持有其33%的股权。

PUBLIC FILE 22

三、会计数据和业务数据摘要

(一) 主要会计数据

单位：千元 币种：人民币

项目	金额
营业利润	-5,520,000
利润总额	-5,390,597
归属于上市公司股东的净利润	-4,646,068
归属于上市公司股东的扣除非经常性损益后的净利润	-5,042,113
经营活动产生的现金流量净额	-705,954

(二) 境内外会计准则差异

1、同时按照国际会计准则与按中国会计准则披露的财务报告中净利润和净资产差异情况

单位：千元 币种:人民币

	净利润		净资产	
	本期数	上期数	期末数	期初数
按中国会计准则	-4,646,068	8,812	50,400,738	54,986,264
按国际会计准则调整的项目及金额：				
差异项目及金额-安全生产费及相应递延所得税(注)	3,174	10,673	0	-3,174
按国际会计准则	-4,642,894	19,485	50,400,738	54,983,090

2、境内外会计准则差异的说明：

安全生产费在企业会计准则下提取时计入相关产品成本或当期损益。

(三) 非经常性损益项目和金额

单位：千元 币种：人民币

非经常性损益项目	金额
非流动资产处置损益	-27,344
计入当期损益的政府补助（与企业业务密切相关，按照国家统一标准定额或定量享受的政府补助除外）	151,142
同一控制下企业合并产生的子公司期初至合并日的当期净损益	3,435
除同公司正常经营业务相关的有效套期保值业务外，持有交易性金融资产、交易性金融负债产生的公允价值变动损益，以及处置交易性金融资产、交易性金融负债和可供出售金融资产取得的投资收益	428,152
单独进行减值测试的应收款项减值准备转回	8,855
除上述各项之外的其他营业外收入和支出	5,608
所得税影响额	-134,059
少数股东权益影响额（税后）	-39,744
合计	396,045

(四) 报告期末公司前三年主要会计数据和财务指标

单位：千元 币种：人民币

主要会计数据	2009 年	2008 年		本期比上年同期增减(%)	2007 年
		调整后	调整前		
营业收入	70,268,005	76,728,147	76,725,941	-8.42	85,198,835
利润总额	-5,390,597	120,610	124,815	-4,569.44	14,992,308
归属于上市公司股东的净利润	-4,646,068	8,812	9,228	-52,824.33	10,753,042
归属于上市公司股东的扣除非经常性损益的净利润	-5,042,113	-122,945	-126,120	4,001.11	10,072,094
经营活动产生的现金流量净额	-705,954	5,023,984	5,003,681	-114.05	12,122,672
	2009 年末	2008 年末		本期末比上年同期末增减(%)	2007 年末
		调整后	调整前		
总资产	133,975,189	135,615,326	135,527,519	-1.21	105,848,068
所有者权益（或股东权益）	50,400,738	54,986,264	54,998,482	-8.34	60,688,063

主要财务指标	2009 年	2008 年		本期比上年同期增减(%)	2007 年
		调整后	调整前		
基本每股收益（元／股）	-0.34353	0.00065	0.00068	-52,950.77	0.8406
稀释每股收益（元／股）	-0.34353	0.00065	0.00068	-52,950.77	0.8406
扣除非经常性损益后的基本每股收益（元／股）	-0.37281	0.00909	0.00933	4,001.32	0.7874
加权平均净资产收益率（%）	-8.82	0.02	0.02	减少 8.84 个百分点	19.72
扣除非经常性损益后的加权平均净资产收益率（%）	-9.56	-0.21	-0.23	减少 9.35 个百分点	18.47
每股经营活动产生的现金流量净额（元／股）	-0.05	0.37	0.37	-113.51	0.90
	2009 年末	2008 年末		本期末比上年同期末增减(%)	2007 年末
		调整后	调整前		
归属于上市公司股东的每股净资产（元／股）	3.73	4.07	4.07	-8.35	4.49

注：2007 年会计数据和财务指标未对 2009 年的同一控制下的收购进行重述。

四、股本变动及股东情况

(一) 股本变动情况

1、股份变动情况表

报告期内，公司股份总数及股本结构未发生变化。

2、限售股份变动情况

报告期内，本公司限售股份无变动情况。

(二) 证券发行与上市情况

1、前三年历次证券发行情况

单位：股 币种:人民币

股票及其衍生证券的种类	发行日期	发行价格（元）	发行数量	上市日期	获准上市交易数量	交易终止日期
股票类						
H 股配售#	2006 年 5 月 9 日	7.25(港币)	644,100,000	2006 年 5 月 19 日	644,100,000	不适用
人民币普通股	2007 年 4 月 24 日	6.60	1,236,731,739	2007 年 4 月 30 日	1,148,077,357	不适用
人民币普通股	2007 年 12 月 28 日	20.49	637,880,000	2008 年 1 月 4 日	282,542,632	不适用

本公司于 2006 年 5 月行使配售权发行 600,000 千股(每股面值 1 元)的 H 股；同时中铝公司将其所持 44,100 千股国家股划转给全国社会保障基金理事会，本公司接受全国社会保障基金理事会委托，在本次配售同时出售上述 44,100 千股，并将所得款项支付给全国社会保障基金理事会。

本公司于 2007 年 4 月向本公司之子公司山东铝业股份有限公司("山东铝业")和本公司之联营公司兰州铝业股份有限公司("兰州铝业")除本公司以外的股东发行了 1,236,732 千股(每股面值 1 元)人民币普通股(A 股)，以换股方式取得了山东铝业和兰州铝业 100%的股权，并在上海证券交易所上市。同时，山东铝业和兰州铝业退市。

本公司于 2007 年 12 月 28 日向包头铝业股份有限公司("包头铝业")的原股东定向增发 637,880 千股(每股面值 1 元)人民币普通股(A 股)，以换股方式取得了包头铝业 100%的股权。同时，包头铝业退市。

2、公司股份总数及结构的变动情况

报告期内没有因送股、配股等原因引起公司股份总数及结构的变动。

3、现存的内部职工股情况

本报告期末公司无内部职工股。

(三) 股东和实际控制人情况

1、股东数量和持股情况单位：股

报告期末股东总数						610,711 户
前十名股东持股情况						
股东名称	股东性质	持股比例(%)	持股总数	报告期内增减	持有有限售条件股份数量	质押或冻结的股份数量
中国铝业公司[1]	国家	38.56	5,214,407,195	0	5,214,407,195	无
香港中央结算(代理人)有限公司	境外自然人	29.05	3,929,031,842	-1,377,919	0	未知
中国信达资产管理公司	国家	6.65	900,559,074	0	0	无
中国建设银行股份有限公司	国有法人	5.24	709,773,136	0	0	无
国开金融有限责任公司[2]	国有法人	4.10	554,940,780	0	0	无
包头铝业（集团）有限责任公司	国有法人	2.60	351,217,795	0	351,217,795	无
兰州铝厂	国有法人	0.59	79,472,482	0	79,472,482	无
贵州省物资开发投资公司	国有法人	0.54	72,800,000	-6,400,000	0	无
广西投资集团有限公司	国家	0.34	45,840,527	-66,037,575	0	无
中国工商银行－上证 50 交易型开放式指数证券投资基金	境内非国有法人	0.14	18,702,973	-8,137,058	0	未知

前十名无限售条件股东持股情况			
股东名称	持有无限售条件股份的数量	股份种类及数量	
香港中央结算(代理人)有限公司	3,929,031,842	境外上市外资股	3,929,031,842
中国信达资产管理公司	900,559,074	人民币普通股	900,559,074
中国建设银行股份有限公司	709,773,136	人民币普通股	709,773,136
国开金融有限责任公司	554,940,780	人民币普通股	554,940,780
贵州省物资开发投资公司	72,800,000	人民币普通股	72,800,000
广西投资集团有限公司	45,840,527	人民币普通股	45,840,527
中国工商银行－上证 50 交易型开放式指数证券投资基金	18,702,973	人民币普通股	18,702,973
中国工商银行-诺安平衡证券投资基金	17,751,781	人民币普通股	17,751,781
交通银行-易方达 50 指数证券投资基金	15,951,576	人民币普通股	15,951,576
国泰君安-建行-香港上海汇丰银行有限公司	12,885,849	人民币普通股	12,885,849
上述股东关联关系或一致行动的说明	上述股东不存在关联关系		

[1]此数未包含中铝公司通过其附属公司间接持有的 A 股。

[2]国家开发银行股份有限公司在 2009 年 12 月 31 日将持有的全部股份划转至其全资子公司国开金融有限责任公司。

前十名有限售条件股东持股数量及限售条件

单位:股

序号	有限售条件股东名称	持有的有限售条件股份数量	有限售条件股份可上市交易情况		限售条件
			可上市交易时间	新增可上市交易股份数量	
1	中国铝业公司	5,214,407,195	2011 年 1 月 4 日	0	自 2007 年 4 月 30 日起三年内不转让，2007 年底吸收包头铝业后，限售时间延迟到 2011 年 1 月 4 日
2	包头铝业（集团）有限责任公司	351,217,795	2011 年 1 月 4 日	0	自 2008 年 1 月 4 日起三年内不转让
3	兰州铝厂	79,472,482	2011 年 1 月 4 日	0	自 2007 年 4 月 30 日起三年内不转让，2007 年底吸收包头铝业后，限售时间延迟到 2011 年 1 月 4 日
4	贵阳铝镁设计研究院	4,119,573	2011 年 1 月 4 日	0	自 2008 年 1 月 4 日起三年内不转让
上述股东关联关系或一致行动人的说明			中国铝业公司是包头铝业（集团）有限责任公司的控股股东，兰州铝厂和贵阳铝镁设计研究院是中国铝业公司的全资子公司。		

2、控股股东及实际控制人情况

(1) 控股股东及实际控制人具体情况介绍

中国铝业公司是国家授权的投资管理机构和控股公司，是国有重要骨干企业，公司资产总额约 3466 亿元。固定资产增值保值率、净资产收益率在全国 100 亿元资产以上的国有企业中一直名列前茅，是全球第二大氧化铝和第三大电解铝生产商。

中国铝业公司着眼于国际化多金属矿业公司的战略定位，立足国内面向海外，积极整合国内资源，加快开拓全球业务以及广泛的产品组合。依法进行国有资产的投资和经营管理；铝土矿采选，铝冶炼、加工及贸易；稀有稀土金属矿采选，稀有稀土金属冶炼、加工及贸易；铜及其他有色金属采选、冶炼、加工、贸易；相关工程技术服务。

公司自主研发和应用了选矿拜尔法、400 千安大型铝电解槽等新工艺、新技术。公司生产的特种铝合金、钛合金等已成为“长征”系列火箭、“神舟”系列飞船等国防军工的重要材料。公司拥有优秀的管理团队，以及门类齐全、技术精湛的技术人才队伍，目前已拥有多项具有自主知识产权的核心技术。

公司秉承“励精图治、创新求强”的精神和“严、细、实、新、恒、齐”的管理理念、“诚信为本，回报至上”的经营理念，不断推进改革发展，积极履行社会责任，努力创建生产安全型、资源节约型、环境友好型企业。面对新的经济形势和国际竞争环境，中国铝业公司将不断追求“世界一流、百年老店、和谐中铝”的共同愿景，以科学的发展理念、良好的发展业绩、先进的企业文化实现企业又好又快发展。

(2) 控股股东情况

单位：亿元 币种：人民币

名称	中国铝业公司
单位负责人或法定代表人	熊维平
成立日期	2001年2月21日
注册资本	154.32
主要经营业务或管理活动	矿产资源勘察；铝土矿开采；对境外有色金属行业派遣所需的劳务人员。经营管理国有资产和国有股权；铝、铜、稀有稀土及相关有色金属矿产品、冶炼产品、加工产品、碳素制品的生产、销售；从事勘探设计、工程建设总承包、建筑安装；矿产品开发和加工；设备制造；技术开发、技术服务；进出口业务。

(3) 实际控制人情况

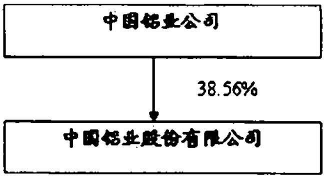
单位：亿元 币种：人民币

名称	国务院国有资产管理委员会
单位负责人或法定代表人	
成立日期	
注册资本	
主要经营业务或管理活动	

(4) 控股股东及实际控制人变更情况

本报告期内公司控股股东及实际控制人没有发生变更。

公司与实际控制人之间的产权及控制关系的方框图



注：本集团最大的股东是中铝公司,直接持有本公司38.56%的股权,并透过其附属公司共持有本公司41.82%的股权。

3、其他持股在百分之十以上的法人股东

截止本报告期末公司无其他持股在百分之十以上的法人股东。

五、董事、监事和高级管理人员

(一) 董事、监事和高级管理人员持股变动及报酬情况

单位：股

姓名	职务	性别	年龄	任期起始日期	任期终止日期	年初持股数	年末持股数	变动原因	报告期内从公司领取的报酬总额（万元）（税前）	是否在股东单位或其他关联单位领取报酬、津贴
熊维平	董事长兼首席执行官	男	53	2009 年 5 月 26 日	2010 年 5 月 30 日	0	0		58.85	否
肖亚庆	董事长兼首席执行官	男	50	2007 年 5 月 18 日	2009 年 3 月 27 日	0	0		41.9	否
罗建川	执行董事、总裁	男	46	2007 年 5 月 18 日	2010 年 5 月 30 日	0	0		87.87	否
陈基华	执行董事、副总裁、CFO	男	42	2007 年 5 月 18 日	2010 年 5 月 30 日	0	0		66.42	否
刘祥民	执行董事、副总裁	男	47	2007 年 5 月 18 日	2010 年 5 月 30 日	0	0		66.42	否
石春贵	非执行董事	男	69	2007 年 5 月 18 日	2010 年 5 月 30 日	0	0		15	否
康 义	独立非执行董事	男	69	2007 年 5 月 18 日	2010 年 5 月 30 日	0	0		21.08	否
张卓元	独立非执行董事	男	76	2007 年 5 月 18 日	2010 年 5 月 30 日	0	0		21.08	否
王梦奎	独立非执行董事	男	71	2008 年 5 月 9 日	2010 年 5 月 30 日	0	0		21.08	否
朱德淼	独立非执行董事	男	46	2008 年 5 月 9 日	2010 年 5 月 30 日	0	0		21.08	否
敖 宏	监事会主席	男	48	2007 年 5 月 18 日	2010 年 5 月 30 日	0	0			是
袁 力	监事	男	51	2007 年 5 月 18 日	2010 年 5 月 30 日	0	0		50.74	否
张占魁	监事	男	51	2007 年 5 月 18 日	2010 年 5 月 30 日	0	0			是
丁海燕	副总裁	男	51	2007 年 5 月 18 日	2010 年 5 月 30 日	3,600	3,600		66.42	否
蒋英刚	副总裁	男	46	2007 年 5 月 18 日	2010 年 5 月 30 日	0	0		65.98	否
刘 强	董事会秘书	女	46	2010 年 5 月 18 日	2010 年 5 月 30 日	0	0		59.62	否

熊维平：熊维平先生自 2004 年 6 月至 2006 年 6 月，任中国铝业股份有限公司总裁；2006 年 6 月至 2009 年 2 月任香港中旅（集团）有限公司副董事长、总经理。2009 年 2 月至今任中国铝业公司总经理；2009 年 5 月至今任中国铝业股份有限公司董事长、首席执行官。注：任期终止日期以 2009 年度股东周年大会实际召开日期为准。

肖亚庆：肖亚庆先生自 2003 年 10 月至 2004 年 4 月，任中国铝业公司副总经理；2004 年 4 月至 2009 年 2 月，任中国铝业公司总经理；2004 年 6 月至 2009 年 3 月，任中国铝业股份有限公司董事长、首席执行官。因工作变动，已于 2009 年 3 月 27 日辞去本公司董事长职务,并于 2009 年 5 月 26 日辞去本公司执行董事、首席执行官职务。

罗建川：罗建川先生自 2003 年 10 月至 2004 年 5 月，任中国铝业股份有限公司副总裁；2004 年 5 月至 2007 年 5 月，任中国铝业股份有限公司执行董事、高级副总裁；2007 年 5 月至今，任中国铝业股份有限公司执行董事、总裁。注：任期终止日期以 2009 年度股东周年大会实际召开日期为准。

陈基华：陈基华先生自 2001 年 9 月至今，任中国铝业股份有限公司副总裁兼财务总监；2004 年 6 月至今，任中国铝业股份有限公司执行董事。注：任期终止日期以 2009 年度股东周年大会实际召开日期为准。

刘祥民：刘祥民先生自 2002 年 1 月至 2004 年 5 月，任中国铝业股份有限公司中州分公司总经理；2004 年 6 月至 2005 年 10 月，任中国铝业股份有限公司副总裁、中州分公司总经理；2005 年 11 月至今，任中国铝业股份有限公司副总裁；2007 年 5 月至今，任中国铝业股份有限公司执行董事。注：任期终止日期以 2009 年度股东周年大会实际召开日期为准。

石春贵：石春贵先生自 2001 年 11 月至 2008 年 3 月担任中国信达资产管理公司专家咨询委员会委员；自 2005 年 6 月至今任本公司非执行董事；自 2007 年 8 月至今担任信达证券股份有限公司独立董事；自 2008 年 4 月至今担任银泰百货有限公司独立董事。注：任期终止日期以 2009 年度股东周年大会实际召开日期为准。

康 义：康义先生于 2001 年 4 月至今担任中国有色金属工业协会会长；自 2004 年 9 月至今任本公司独立董事；自 2007 年 9 月至今担任金堆城钼业股份有限公司独立董事；自 2008 年 9 月至今担任宝鸡钛业股份有限公司独立董事。注：任期终止日期以 2009 年度股东周年大会实际召开日期为准。

张卓元：张卓元先生自 1998 年 10 月至今担任中国社会科学院学部委员、经济研究所研究员；自 2002 年至今担任江南证券有限责任公司独立董事；自 2007 年 5 月至今担任本公司独立董事。注：任期终止日期以 2009 年度股东周年大会实际召开日期为准。

王梦奎：王梦奎先生自 1998 年 3 月至 2007 年 6 月担任国务院发展研究中心主任；1993 年至今任北京大学教授、博士生导师；自 2008 年 5 月至今任本公司独立董事。注：任期终止日期以 2009 年度股东周年大会实际召开日期为准。

朱德淼：朱德淼先生自 1999 年至 2005 年先后担任摩根大通集团董事总经理、大中华区主席；自 2006 年 1 月至今担任橡树资本集团董事总经理；自 2007 年 1 月至今担任 WSP 控股有限公司独立董事；自 2008 年 5 月至今担任本公司独立董事。注：任期终止日期以 2009 年度股东周年大会实际召开日期为准。

敖 宏：敖宏先生自 2003 年 3 月至 2005 年 10 月，任北京有色金属研究总院党委书记、副院长，有研半导体材料股份有限公司（有研硅股）董事长，国瑞电子材料有限责任公司董事长，北京国晶辉红外光学科技有限公司董事长，香港国晶微电子控股有限公司董事长；自 2005 年 10 月至今，任中国铝业公司副总经理，自 2006 年 10 月至今任中国铝业股份有限公司监事会主席。注：任期终止日期以 2009 年度股东周年大会实际召开日期为准。

袁 力：袁力先生自 2001 年 12 月至 2003 年 10 月，任中国铝业股份有限公司企业文化部副总经理；自 2003 年 10 月至 2004 年 4 月，任中国铝业公司党群工作部副主任；自 2004 年 4 月至今，任中国铝业公司党群工作部主任；自 2005 年 3 月至今，任中国铝业股份有限公司企业文化部总经理；自 2004 年 5 月至今中国铝业股份有限公司监事。注：任期终止日期以 2009 年度股东周年大会实际召开日期为准。

张占魁：张占魁先生自 2002 年 3 月至 2006 年 2 月，任中国铝业股份有限公司财务部综合管理处经理；自 2006 年 3 月至 2009 年 11 月，任中国铝业公司财务部副主任；自 2009 年 12 月至今，任中国铝业公司财务部主任；自 2006 年 10 月至今任中国铝业股份有限公司监事。注：任期终止日期以 2009 年度股东周年大会实际召开日期为准。

丁海燕：丁海燕先生自 2001 年 12 月至 2003 年 10 月，任中国铝业股份有限公司董事会秘书；自 2003 年 10 月至 2006 年 7 月，任中国铝业公司总经理助理；自 2006 年 7 月至今，任中国铝业股份有限公司副总裁。注：任期终止日期以公司第四届董事会第一次会议实际召开日期为准。

蒋英刚：蒋英刚先生自 2002 年 1 月至 2008 年 8 月任中国铝业青海分公司总经理；自 2007 年 5 月至今，任中国铝业股份有限公司副总裁。注：任期终止日期以公司第四届董事会第一次会议实际召开日期为准。

刘 强：刘强女士自 2003 年 10 月至今，任中国铝业股份有限公司董事会秘书。注：任期终止日期以公司第四届董事会第一次会议实际召开日期为准。

PUBLIC FILE 14

(二) 在股东单位任职情况

姓名	股东单位名称	担任的职务	任期起始日期	任期终止日期	是否领取报酬津贴
熊维平	中国铝业公司	总经理	2009 年 2 月	至今	否
敖 宏	中国铝业公司	副总经理	2005-10 月	至今	是
张占魁	中国铝业公司	财务部主任	2009 年 12 月	至今	是

在其他单位任职情况

姓名	其他单位名称	担任的职务	任期起始日期	任期终止日期	是否领取报酬津贴
石春贵	信达证券股份有限公司	独立董事	2007 年 8 月	至今	否
石春贵	银泰百货有限公司	独立董事	2008 年 4 月	至今	是
康 义	金堆城钼业股份有限公司	独立董事	2007 年 9 月	至今	是
康 义	宝鸡钛业股份有限公司	独立董事	2008 年 9 月	至今	是
张卓元	江南证券有限责任公司	独立董事	2002 年 10 月	至今	是
朱德淼	橡树资本（香港）有限公司	董事总经理	2006 年 1 月	至今	是
朱德淼	WSP 控股有限公司	独立董事	2007 年 1 月	至今	否

(三) 董事、监事、高级管理人员报酬情况

董事、监事、高级管理人员报酬的决策程序	公司专业部门根据市场水平和公司薪酬策略，提出公司董事、监事、高管人员薪酬方案，经公司董事会薪酬委员会审议通过后提交公司董事会审议。其中，高管人员薪酬由公司董事会审定,董事及监事薪酬经公司董事会审议通过后提交股东大会审定。
董事、监事、高级管理人员报酬确定依据	公司根据发展战略、企业文化及薪酬策略，参考市场可比企业（规模、行业、性质等）同等岗位的薪酬水平，结合外部专业咨询机构的意见和建议，挂钩公司经营业绩及个人绩效考核结果，决定公司董事、监事、高管人员薪酬。
董事、监事和高级管理人员报酬的实际支付情况	2009 年度，公司董事、监事、高级管理人员及董事会秘书的报酬总计为人民币 663.54 万元（含独立董事车马费），其中除酌情花红部分人民币 152.08 万元，不在当期发放外，其余均在当期兑现。

PUBLIC FILE 13

(四) 公司董事、监事、高级管理人员变动情况

姓名	担任的职务	变动情形	变动原因
肖亚庆	董事长、首席执行官	离任	工作变动
熊维平	董事长、首席执行官	聘任	工作变动

(五) 公司员工情况

在职员工总数	107,831
公司需承担费用的离退休职工人数	0
专业构成	
专业构成类别	专业构成人数
管理人员	11,280
销售人员	731
生产人员	95,103
其他	717
教育程度	
教育程度类别	数量（人）
研究生	629
本科生	10,678
专科生	18,871
中专生及以下	77,653

六、公司治理结构

(一) 公司治理的情况
本公司严格按照《公司法》、《证券法》、中国证监会相关规定及《上海证券交易所股票上市规则》的要求，完善公司治理结构，认真做好各项公司治理工作。

本公司董事会已审阅其企业管治文件及内部控制指引，董事会认为本公司已符合香港上市规则附录14之「企业管治守则」之守则条文和上海证券交易所上市公司内部控制指引。

董事认为，公司章程、审核委员会的职权范围、监事会的职权范围及董事和特定雇员有关证券交易的行为守则组成本公司企业管治常规守则的参考依据。已包含香港上市规则附录 14 所载的「企业管治守则」的准则及守则条文和上海证券交易所上市公司内部控制指引。在以下范畴，本公司内部企业管治文件的标准较「企业管治守则」和上海证券交易所上市公司内部控制指引更为严格。

董事、监事及有关雇员的证券交易

董事会就本公司董事、监事及有关员工的证券交易制定书面指引，其条款比香港上市规则附录 10 的标准守则和上海证券交易所上市规则所列的标准更为严格。本公司作个别查询后，所有董事、监事及有关雇员已确认，彼等均符合指引所要求的标准。

股东大会

股东大会是公司的最高权力机构。2009 年度公司共召开了 3 次股东大会、2 次 A 股类别股东会议、2 次 H 股类别股东会议，各次股东会议的召集、召开、表决程序合法有效，参会股东认真审核各项议案，全部议案以平均 99.71%的赞成率获得通过。

董事会

本公司第三届董事会由9名董事组成，4名执行董事为熊维平先生、罗建川先生、陈基华先生和刘祥民先生，1名非执行董事为石春贵先生，4名独立非执行董事为康义先生、张卓元先生、王梦奎先生和朱德淼先生。熊维平先生为董事长及首席执行官。公司原董事长及首席执行官肖亚庆先生已于2009年3月27日辞去本公司董事长职务，并于2009年5月26日辞去本公司执行董事及首席执行官职务。

公司已按照上市规则要求委任足够数目的独立非执行董事，以及委任具备适当专业资格，如具备会计或有关财务管理专长的独立非执行董事。公司4位独立非执行董事具有独立性。他们分别来自金融专业、经济专业及资源和金属专业，并具有丰富的专业经验；为公司的稳定经营及发展忠诚地提供专业意见；并为保障本公司和股东的利益进行监察和协调。

根据本公司之公司章程第104及145条，所有董事(包括独立非执行董事)及监事任期均为三年，任期届满后可经选举续任。公司独立非执行董事康义先生已连任6年，根据相关法律法规及公司章程的规定，康义先生已不能连任本公司独立非执行董事职务。

董事会的每位董事均以股东的利益为前提，依照董事须履行的责任和按照所有相关法律及规则，尽自己最大的努力履行其职责。董事会的主要职责包括：决定公司的经营计划及投资方案；制定公司的利润分配方案和弥补亏损方案；拟定公司的资本运营等方案及执行股东大会的决议等。

董事长确保了董事履行应尽的职责及维持董事会有效地运作，确保及时就所有重要的适当事项与董事们进行讨论。董事长与非执行董事进行了单独交谈，充分了解了他们对公司运营及董事会工作的想法及意见。

公司董事会秘书室全方位为董事服务，及时向董事提供充分的信息，使董事们及时了解公司的情况；采取适当的方式保持与股东之间的有效联系，确保股东意见传达到董事会。

本公司的半年度及年度董事会会议主要内容安排均提前确定，确保了全体董事有机会提出商讨事项列入董事会会议议程；每次董事会定期会议均确保提前14天发出通知，并提前10天将董事会议案提供于董事，使他们有足够的时间审阅各项议案。

公司董事会非常注重外在环境的变化对公司发展策略的影响。2009年，受国际金融危机冲击，铝需求大幅下滑，铝价在较长时间内低价运行，使公司生产经营遇到了前所未有的困难和挑战。本公司采取了科学有效的应对措施，实施"一保、二压、三从紧"策略，加强管理、节能降耗、控制成本和费用、保障供应、强化销售、控制投资，使生产经营平稳运行。

董事会下设立审核委员会,薪酬委员会、换届提名委员会和发展规划委员会
(请见董事会下设的审核委员会的履职情况汇总报告和薪酬委员会的履职情况汇总报告)

换届提名委员会

换届提名委员会由执行董事熊维平先生、罗建川先生和独立非执行董事康义先生、张卓元先生组成，熊维平先生任主任委员。换届提名委员会的职责包括讨论、推荐公司董事会独立董事人选；讨论、推荐董事会成员和其他人士出任专门委员会成员的人选；制定执委会成员及其他高层管理人员的任命管理程序和换届选举方案；提出执行委员会成员及其他高层管理人员换届的任免建议；其他重大人事任免的建议。本年度换届提名委员会工作按照议事规则有序进行。

发展规划委员会

发展规划委员会成员由执行董事罗建川先生、刘祥民先生生等组成，罗建川先生任主任委员。规划发展委员会的职责包括对本公司发展、财务预算、投资、业务运营以及年度投资回报的策略计划进行审议和评估。本年度内，发展规划委员会工作按照议事规则有序进行。

监事会

本公司第三届监事会由 3 名成员组成，其中 1 名监事为职工代表推选。监事会负责对董事会及其成员以及高级管理层进行监督，防止其滥用职权，侵犯股东、本公司及本公司员工的合法权益。2009 年监事会召开 4 次会议，对公司财务状况、本公司依法运作情况和高级管理人员尽职情况进行审查，并遵守诚信原则，积极展开各项工作。

公司管理层（执行委员会）

本公司不定期召开由执委会主任主持、公司执委会成员出席的执行委员会会议和由公司高级管理层主持、包括总部各部门负责人参加的总裁办公会议，就公司运营、投资项目实施和财务事宜进行讨论和决策。本公司管理层，包括分（子）公司及联营公司经理和总部部门负责人，召开年度和年中工作会议，总结、部署年度和半年度的工作。会议有助于组织、协调、沟通和督促各项运营工作的开展和实施。

公司依法合规认真做好各项治理工作，继续深入开展公司治理专项活动，不断完善公司各项治理制度，进一步提高公司治理水平，健全内部控制制度，以维护公司股东利益为目标，保持公司持续、稳定、健康发展，以良好的业绩回报社会、回报股东。

(二) 董事履行职责情况

1、董事参加董事会的出席情况

董事姓名	是否独立董事	本年应参加董事会次数	亲自出席次数	以通讯方式参加次数	委托出席次数	缺席次数	是否连续两次未亲自参加会议
熊维平	否	6	4	2	0	0	否
肖亚庆	否	2	0	0	2	0	是
罗建川	否	8	6	2	0	0	否
陈基华	否	8	4	2	2	0	否
刘祥民	否	8	5	2	1	0	否
石春贵	否	8	6	2	0	0	否
康 义	是	8	4	2	2	0	否
张卓元	是	8	6	2	0	0	否
王梦奎	是	8	5	2	1	0	否
朱德淼	是	8	5	2	1	0	否

执行董事肖亚庆先生因工作变动,已于 2009 年 3 月 27 日辞去本公司董事长职务，同时提请辞去本公司董事、首席执行官及在董事会下属专业委员会专门委员会中的一切职务，并已于 2009 年 5 月 26 日生效。肖亚庆先生因工作原因未能亲自出席公司于 2009 年 3 月 27 日及 4 月 29 日召开的两次董事会会议。

年内召开董事会会议次数	8
其中：现场会议次数	6
通讯方式召开会议次数	2
现场结合通讯方式召开会议次数	0

2、独立董事对公司有关事项提出异议的情况
报告期内，公司独立非执行董事未对公司董事会提呈的建议决议案及其它非董事会议案事项提出异议。

3、独立董事相关工作制度的建立健全情况、主要内容及独立董事履职情况

在本公司章程及董事会工作细则中，均有独立章节对独立董事选人和履职进行规范和做出相关规定和要求，内容包括：独立董事的任职资格及独立性确认、独立董事提名、选举及更换的相关规定和程序、独立董事在董事会成员中所占的比重、独立董事职责权限及应履行的义务等。

本年度，公司第三届董事会的全体独立董事均诚信、勤勉、尽责，忠实地履行职务，切实维护公司和股东特别是社会公众股东的利益：

（一）尽最大可能亲自出席公司董事会会议及董事会下属各相关专业委员会专门委员会会议，实在确实无法亲自出席的均委托其他董事代为出席，认真审议董事会及相关各专业委员会专门委员会议案；积极列席股东大会。

（二）就公司董事候选人提名、持续关联交易及聘请独立财务顾问等事项发表独立意见，包括：《关于提名董事候选人的独立意见》、《关于将关联交易事项提交董事会讨论的意见》、《关于聘请独立财务顾问的独立意见》及《关于关联交易事项的独立意见》。

（三）持续关注公司的信息披露工作，敦促公司能够严格按照上市地相关法律、法规和公司《信息披露管理规则》的有关规定，真实、及时、完整的完成信息披露工作，有效保护了社会公众股东的合法权益。

（四）独立董事除参加公司董事会会等公司相关会议之外，还听取公司管理层及有关部门对公司生产经营情况及重大事项进展情况的汇报，对公司管理和内部控制等制度的建设及执行情况、董事会决议执行情况等进行了解，有效地履行了独立董事的职责；对须经董事会决策的重大事项，独立董事均事先对公司介绍的情况和提供的资料进行了认真审核，为董事会的重要决策做了充分的准备工作；对公司财务运作、资金往来、募集资金投资项目的建设进度和投产情况等进行了解；利用专业知识，对公司战略发展、技术开发、财务管理和规范经营等方面提出了多项建议，并得到贯彻执。综上，独立董事为公司工作的时间均超过了十个工作日。

(三) 公司相对于控股股东在业务、人员、资产、机构、财务等方面的独立情况

公司相对于控股股东在业务、人员、资产、机构、财务等方面不存在不独立的情况。

(四) 公司内部控制制度的建立健全情况

内部控制建设的总体方案	遵照财政部《企业内部控制基本规范》、《上海证券交易所上市公司内部控制指引》及美国《萨奥法案》要求，从公司管治和制度、业务与财务流程、信息系统控制三个层面建立健全内部控制体系，以合理保证企业经营管理合法合规、资产安全、财务报告及相关信息真实完整，提高经营效率和效果，促进企业实现发展战略。
内部控制制度建立健全的工作计划及其实施情况	本公司的内部控制制度涉及生产、销售、财务、供应等的各个方面，每年公司要对这些制度进行检查，以及时发现制度的运行情况，并结合国家有关法规及公司实际情况等对有关制度进行重新修订或废止等处理。
内部控制检查监督部门的设置情况	公司设置了专门职能部门负责内部控制的日常检查监督工作，并根据相关规定以及公司情况配备专门的内部控制检查监督人员。
内部监督和内部控制自我评价工作开展情况	检查监督部门对公司总部各职能部门及各下属单位的内部控制定期测试情况进行检查和监督；年度末各总部各职能部门和各下属单位要对本部门、本单位的内部控制进行自我评价和签署声明，公司董事会亦会对公司整个内部控制进行自我评估并签署声明。
董事会对内部控制有关工作的安排	董事会下设公司审核委员会作为董事会下设的专门委员会，专门负责对公司的内部控制的建立健全和执行情况进行监督检查，并定期与管理层讨论内部控制系统，确保管理层已履行职责建立有效的内部控制系统。
与财务核算相关的内部控制制度的完善情况	2009 年内，依据《新企业所得税法》和《增值税暂行条例》及新企业准则讲解及会计准则解释，公司对《会计手册》进行了修订，进一步完善和规范了会计确认、计量和报告等行为； 自上市以来，根据香港联交所和美国证监会的要求，公司财务部一直使用"香港会计准则"进行公司财务报告编制，并附加编报"美国准则下差异调节表"。2007 年，美国证监会发布指令，允许在美上市公司按"国际会计准则"编制公司财务报告；并同意若按"国际会计准则"编制公司财务报告，则无需附加编报"美国准则下差异调节表"。对于公司来讲，由于香港会计准则日益向国际会计准则趋同，两个准则下编报出来的财务报告已无差异。公司对国际财务报告准则进行了评估后，决定从 2009 年 1 月 1 日起从使用香港会计准则中期报告编制时转换为国际财务报告准则编制公司财务报告。

(五) 高级管理人员的考评及激励情况

公司专业部门根据市场水平和公司薪酬策略，提出公司董事、监事、高管人员薪酬方案（草案），经公司董事会薪酬委员会审议通过后提交公司董事会审议，其中，高管人员薪酬由公司董事会审定；董事及监事人员薪酬经公司董事会审议通过后提交股东大会审定。

根据公司发展战略、企业文化及薪酬策略，参考市场可比企业（规模、行业、性质等）同等岗位的薪酬水平，结合外部专业咨询机构的意见和建议，挂钩公司经营业绩及个人绩效考核结果，决定公司董事、监事、高管人员薪酬。

(六) 公司披露了内部控制的自我评价报告或履行社会责任的报告

披露网址：www.sse.com.cn

1、公司是否披露内部控制的自我评价报告：是

披露网址：www.sse.com.cn

2、公司是否披露了审计机构对公司内部控制报告的核实评价意见：否

(七) 公司建立年报信息披露重大差错责任追究制度的情况
公司建立了年报信息披露重大差错责任追究制度，加大对年报信息披露责任人的问责力度，提高年报信息披露的质量和透明度。

七、股东大会情况简介

(一) 年度股东大会情况

会议届次	召开日期	决议刊登的信息披露报纸	决议刊登的信息披露日期
2008 年度股东周年大会	2009 年 5 月 26 日	中国证券报、证券时报	2009 年 5 月 26 日
2009 年第一次 A 股类别股东会	2009 年 5 月 26 日	中国证券报、证券时报	2009 年 5 月 26 日
2009 年第一次 H 股类别股东会	2009 年 5 月 26 日	中国证券报、证券时报	2009 年 5 月 26 日

以上会议均在北京市海淀区西直门北大街 62 号本公司的会议室召开。2008 年度股东周年大会审议并通过了关于公司 2008 年度董事会报告、监事会报告、经审计的 2008 年财务报告、补选公司第三届董事会董事、修订公司章程、发行短期融资券及发行中期票据等共 14 项议案；2009 年第一次 A 股类别股东会及 2009 年第一次 H 股类别股东会分别审议并通过了关于给予公司董事会回购 H 股股份一般性授权的议案。

(二) 临时股东大会情况

会议届次	召开日期	决议刊登的信息披露报纸	决议刊登的信息披露日期
2009 年第一次临时股东大会	2009 年 8 月 24 日	证券时报	2009 年 8 月 25 日
2009 年第二次 A 股类别股东会	2009 年 8 月 24 日	证券时报	2009 年 8 月 25 日
2009 年第二次 H 股类别股东会	2009 年 8 月 24 日	证券时报	2009 年 8 月 25 日
2009 年第二次临时股东大会	2009 年 12 月 30 日	证券时报	2009 年 12 月 30 日

以上会议均在北京市海淀区西直门北大街 62 号本公司的会议室召开。公司 2009 年第一次临时股东大会、2009 年第二次 A 股类别股东会及 2009 年第二次 H 股类别股东会分别审议并通过了关于公司非公开发行 A 股股票的有关事项；公司 2009 年第二次临时股东大会审议通过了关于须获独立股东批准的各项持续关联交易事项。

八、董事会报告

(一) 管理层讨论与分析
阁下在阅读下述讨论时，请一并参阅包含在本期业绩报告及其它章节中本集团的财务资料及其附注。

业务板块

本集团主要从事于氧化铝提炼、原铝电解以及铝加工产品生产。我们的经营业务由下列业务板块组成：

氧化铝板块：包括开采、购买铝土矿和其它原材料、辅助材料和燃料动力，将铝土矿生产为氧化铝，并将氧化铝销售给本集团内部的电解铝厂和集团外部的客户。该板块还包括生产和销售化学品氧化铝（包括：氢氧化铝和氧化铝化工产品）和金属镓。

原铝板块：包括采购氧化铝和其它原材料、辅助材料和电力，将氧化铝进行电解以生产为原铝，并销售给集团内部的铝加工厂和集团外部的客户。该板块还包括生产、销售碳素产品和铝合金产品。

铝加工板块：包括采购原铝和其它原材料、辅助材料和电力，将原铝进一步加工为铝加工材并销售；铝加工产品包括铸造材、板带材、箔材、挤压材、锻材、粉材和压铸产品等七大类。

其它板块：主要包括总部及集团其他有关铝业务的研究及开发活动。

营运业绩
本集团 2009 年归属于母公司股东的净亏损为人民币 46.46 亿元，与上年同期的净利润人民币 0.09 亿元相比大幅下降，主要原因是受全球金融危机和铝产品市场处于行业周期低谷的不利影响，本集团主导产品的平均销售价格与 2008 年全年平均价格相比大幅下跌，使得本集团的生产经营面临着前所未有的压力和挑战。

营业收入
本集团 2009 年的营业收入为人民币 702.68 亿元，比上年同期的人民币 767.28 亿元减少了人民币 64.60 亿元，下降幅度为 8.42%，主要由于尽管氧化铝和电解铝的销售价格在 2009 年持续回升，但平均销售价格仍比 2008 年大幅下降所致。（参见板块业绩分析）

销售成本
本集团销售总成本 2009 年为人民币 690.46 亿元，比上年同期的人民币 698.49 亿元减少人民币 8.03 亿元，下降幅度为 1.15%，主要由于本集团主要产品销量上升及单位销售成本下降所致。

销售费用、管理费用
本集团 2009 年的销售费用为人民币 12.65 亿元，比上年同期的人民币 15.63 亿元降低人民币 2.98 亿元，下降幅度为 19.07%，主要由于集团自产氧化铝的外销量降低，同时公司加强物流管理，使得运输费用、装卸及包装费用下降所致。
本集团 2009 年的管理费用为人民币 28.16 亿元，比上年同期的人民币 23.86 亿元，增加了人民币 4.30 亿元，上升幅度为 18.02%，主要是由于集团于 2009 年开始实施全方位深度结构调整，部分企业开始推行机构改革并实行了内部退养计划，对应确认辞退及内退福利。
受上述因素影响，本集团 2009 年的营业利润为亏损人民币 55.20 亿元，与上年同期的盈利人民币 2.52 亿元相比，营业利润下降了人民币 57.72 亿元。

财务费用-净额
本集团 2009 年的财务费用净额为人民币 21.69 亿元，比上年同期的人民币 17.35 亿元增加了人民币 4.34 亿元，上升幅度为 25.01%。主要是由于本集团银行贷款规模有所扩大从而增加了利息支出，而 2009 年集团实际利率水平的下降部分抵销了财务费用的增长。

所得税
本集团 2009 年的所得税费用为人民币-7.08 亿元，与上年同期的所得税费用人民币 0.37 亿元相比，所得税降低了 6.71 亿元。主要由于本集团对预计在可利用的未来期间能够转回的 2009 年度可抵扣亏损确认递延所得税资产。

板块经营业绩讨论

氧化铝板块

产品销售额
2009 年本集团氧化铝板块的产品销售总额为人民币 201.51 亿元，比上年同期的人民币 312.40 亿元，下降了人民币 110.89 亿元，下降幅度为 35.50%。

2009 年氧化铝板块的内部交易收入为人民币 89.48 亿元；比上年同期的人民币 164.31 亿元下降了人民币 74.83 亿元，下降幅度为 45.54%。

PUBLIC FILE

2009 年氧化铝板块的对外交易收入为人民币 112.03 亿元，比上年同期的人民币 148.09 亿元下降了人民币 36.06 亿元，下降幅度为 24.35%。

2009 年本集团的氧化铝外部销售量为 443.66 万吨（含贸易销售量 160.36 万吨），比上年同期的 426.44 万吨（含贸易销售量 113.48 万吨）增加了 17.22 万吨，其中集团自产氧化铝的外部销售量减少了 29.66 万吨，集团氧化铝贸易量增加了 46.88 万吨。氧化铝外部销售量的增加使得本板块对外交易收入增加了 4.67 亿元。

2009 年本集团氧化铝的外部销售平均价格为人民币 1,939 元/吨（不含增值税，以下同），比上年同期外部销售平均价格人民币 2,710 元/吨，下降了人民币 771 元/吨，下降幅度为 28.45%。氧化铝外部销售价格的下降使得本板块对外交易收入减少了人民币 34.21 亿元。

营运收益
由于上述因素，2009 年本集团氧化铝板块的营运收益总额为亏损人民币 24.49 亿元，比上年同期的盈利人民币 14.59 亿元，下降了人民币 39.08 亿元，下降幅度较大。

原铝板块

产品销售额
2009 年本集团原铝板块的产品销售总额为人民币 490.98 亿元，比上年同期的人民币 516.26 亿元下降了人民币 25.28 亿元，下降幅度为 4.90%。

2009 年原铝板块的内部交易收入为人民币 27.15 亿元，比上年同期的人民币 31.59 亿元降低了人民币 4.44 亿元，降低幅度为 14.06%。

2009 年原铝板块的对外交易收入为人民币 463.83 亿元，比上年同期的人民币 484.67 亿元降低了人民币 20.84 亿元，下降幅度为 4.30%。

2009 年本集团原铝产品的外部销售量为 381.46 万吨，比上年同期的 310.13 万吨增加了 71.33 万吨。外部销售量的增加使得本板块对外交易收入增加了人民币 105.15 亿元。

2009 年本集团原铝产品的外部销售平均价格为人民币 11,835 元/吨，比上年同期的外部销售平均价格人民币 14,742 元/吨，下降了人民币 2,907 元/吨，下降幅度为 19.72%。外部销售价格的下降使得本板块对外交易收入减少了人民币 110.89 亿元。

营运收益
2009 年本集团原铝板块的营运收益总额为盈利人民币 0.86 亿元，比上年同期的盈利人民币 5.16 亿元下降了人民币 4.3 亿元，下降幅度为 83.33%。

铝加工板块

产品销售额
2009 年本集团铝加工板块的产品销售总额为人民币 90.19 亿元，比上年同期的人民币 109 亿元，降低了人民币 18.81 亿元，下降幅度为 17.26%。

营运收益
2009 年本集团铝加工板块的营运收益总额为亏损人民币 6.12 亿元，比上年同期的亏损人民币 3.18 亿元，增加了亏损人民币 2.94 亿元，亏损增加幅度为 92.45%。

资产负债结构

流动资产及负债

于 2009 年 12 月 31 日，本集团的流动资产为人民币 363.34 亿元，比 2008 年末的人民币 425.57 亿元减少了人民币 62.23 亿元，主要是由于本集团为了减少资金占用，控制负债规模，减少了货币资金储备所致。

于 2009 年 12 月 31 日，本集团货币资金为人民币 78.59 亿元，比 2008 年末的人民币 162.97 亿元减少了人民币 84.38 亿元。

于 2009 年 12 月 31 日，本集团存货净额为人民币 204.23 亿元，比 2008 年末的人民币 199.10 亿元增加人民币 5.13 亿元，其中原材料和在产品存货较 2008 年末减少了人民币 4.37 亿元，库存商品较 2008 年末增加了人民币 9.27 亿元，主要是由于原计提的存货跌价准备随产成品售出而下降，而且从 2009 年 9 月份开始本集团所属的中铝国贸因转变经营机制扩大了自营贸易规模并加大了市场运作力度所致。

于 2009 年 12 月 31 日，本集团流动负债为人民币 400.30 亿元，比 2008 年末的人民币 386.22 亿元，增加了人民币 14.08 亿元。2009 年本集团新增短期贷款人民币 88.05 亿元（含信托贷款人民币 50 亿元），赎回到期短期融资券人民币 51.52 亿元(含利息)，同时，本集团充分利用低成本的票据融资，在 2009 年加大了应付票据的签发，应付票据余额较 2008 年末增加了人民币 13.12 亿元，另一方面本集团预收货款较 2008 年末减少了人民币 26.86 亿元，主要是于 2008 年年底收到的铝锭预收货款人民币 27.7 亿元对应的合同在 2009 年执行完毕，加上本集团按进度支付应付工程款，导致其他应付款减少人民币 7.59 亿元。

于 2009 年 12 月 31 日，本集团流动比率为 0.91，比 2008 年末的 1.10 降低了 0.19，速动比率为 0.40，比 2008 年末的 0.59 降低 0.19。

非流动负债

于 2009 年 12 月 31 日，本集团的非流动负债为人民币 383.64 亿元，比 2008 年末的人民币 368.09 亿元，增加了人民币 15.55 亿元，主要是由于项目借款增加所致。

于 2009 年 12 月 31 日，本集团的资产负债率为 58.51%，与 2008 年末的 55.62%相比，上升了 2.89 个百分点。本集团的杠杆比率为 58.29%，比 2008 年的 51.73%上升了 6.56 个百分点。

衍生金融资产、负债的公允价值变动损益及处置收益

本集团严格按照会计准则对公允价值确定的要求，制订与公允价值确认计量和披露相关的内部控制制度，并对公允价值的计量和披露的真实性承担责任。目前本集团的可供出售金融资产和以公允价值计量且其变动计入当期损益的金融资产和负债(包括衍生工具)以公允价值计量。

于 2009 年 12 月 31 日，本集团的交易性金融资产余额人民币 6.4 万元为尚未平仓的原铝和锌期货合约，较 2008 年末的人民币 0.58 亿元，减少人民币 0.58 亿元。

于 2009 年 12 月 31 日，交易性金融负债余额人民币 0.48 亿元为尚未平仓的原铝期货合约；2008 年 12 月 31 日的余额人民币 1.14 亿元主要为本集团持有的原铝亚式期权合约，该合约已于 2009 年初终止。

2009年上述期货期权合约交易的公允价值变动损失和已实现的投资收益分别为人民币-0.34亿元和人民币4.56亿元；与2008年的人民币-0.21亿元和人民币2.89亿元相比，收益增加1.54亿元。

存货跌价准备

于2009年12月31日，本集团对所持有的存货的可变现净值进行了评估，综合考虑本集团内氧化铝企业与电解铝企业之间的产销对接方案，并结合财务预算相关情况，考虑存货周转期、公司持有存货的目的、资产负债表日后事项的影响等因素，以产成品可供出售时的估计售价为基础对存货的可变现净值进行了评估。经评估， 2009年12月31日所持有的存货应计提的存货跌价准备为人民币0.74亿元，与2008年末的跌价准备9.84亿元相比减少了人民币9.1亿元，主要是由于原计提跌价准备的存货绝大部分已于2009年实现了销售。
由于公司存货流转过程和生产流程具备的特点，原材料存货和在产品存货需经过一定的时期才能生产加工为产成品，因此，以产成品可供出售时的估计售价为基础计算可变现净值可以真实反映公司的财务状况和经营成果，更加符合公司的生产经营情况。具体考虑的因素包括：公司的业务范围从铝土矿勘探、开采，到氧化铝冶炼和原铝冶炼，再到铝合金生产及铝产品深加工，形成了完整的产业链，存货流转过程和生产流程具备连续性和一体性，原材料存货和在产品存货通过连续加工才能形成产品实现销售，这些方面决定了在计算跌价准备时应全盘考虑，也决定了使用销售时点的估计售价来确定原材料存货和在产品存货可变现净值的特点。综合考虑存货的性质、库存量情况和存货价格波动的一般趋势，以生产经营预算为基础，在取得已签订的销售合同等可靠证据的基础上，充分考虑持有存货的目的、资产负债表日后事项的影响等因素，以存货的估计售价减去至完工时估计将要发生的成本、估计的销售费用和相关税费后的金额计算可变现净值。对于产成品存货，以销售合同价格为基础计算其可变现净值；超过销售合同数量的部分，以资产负债表日至报表披露日期间的实际售价及可供出售时的估计售价为基础计算其可变现净值。对于原材料存货和在产品存货，公司建立了跌价准备计算模型，根据公司的生产能力和生产周期、原材料和在产品与产能和产量的配比关系，来确定加工成产成品可供出售的时点，估计将要发生成本费用，以其生产加工成产成品可供出售时点的估计售价为基础计算其可变现净值。
公司相关会计政策符合一贯性原则，一直采取相同方法确定存货可变现净值及计提存货跌价准备。
作为附加参考资料，如果假定以资产负债表日的市场价格为基础计算存货的可变现净值，存货跌价准备金额将仍为0.74亿元，与以估计售价为基础计算的存货跌价准备不存在差额。

长期资产减值准备

于2009年12月31日，本集团按照会计准则要求对存在减值迹象的长期资产的可变现净值进行了评估，综合考虑本集团实施全方位深度结构调整过程中对有关生产线和资产的处置方案及资产负债表日后事项的影响等因素，对于拟淘汰的落后产能和生产线按照资产可回收价值扣除处置费用后的金额确定可变现净值；对于计划重组处置的资产参考资产评估价值来确定其可变现净值，对于仍处于运营中但目前盈利能力较差的生产线按照资产组或资产组组合的未来现金流现值来确定可变现净值。经过评估，2009年应计提长期资产减值准备人民币6.24亿元，其中因关停小电解槽淘汰落后产能等而产生的固定资产减值为人民币3.15亿元，因实施环保节能项目需要被更新替代而产的固定资产减值为人民币0.6亿元，因技术落后、使用不经济等原因计划报废处置而产生的固定资产减值为人民币0.89亿元，因计划重组处置而产生的在建工程减值为人民币1.60亿元。

资本支出、资本承担及投资承诺

截至2009年12月31日，本集团累计完成项目投资支出人民币106.86亿元，主要用于节能降耗、环境治理、矿山建设和科技研发等方面，其中包括：重庆分公司80万吨氧化铝项目、遵义氧化铝80万吨氧化铝项目、抚顺铝业电解铝改造项目、中铝瑞闽高精铝板带工程、西北铝分公司铝箔项目、中铝西南铝冷连轧铝加工在建工程等项目。

截至 2009 年 12 月 31 日，本集团的固定资产投资资本承担为人民币 344.11 亿元，其中已签约但尚不必再财务报表上确认的部分为人民币 39.18 亿元，已批准但未签约部分为人民币 304.93 亿元。

截至 2009 年 12 月 31 日，本集团的投资承诺事项为人民币 2.22 亿元，主要是对遵义氧化铝和山西太岳的投资，分别为 2.02 亿元和 0.2 亿元。由于本集团新建及技改项目的投入和对外投资并购，将使得本集团氧化铝和原铝的产能与产量不断提高。

现金及现金等价物

于 2009 年 12 月 31 日，本集团的现金及现金等价物为人民币 74.01 亿元，其中包括港币、美元、欧元及澳元外币存款，折合为人民币分别为： 0.47 亿元、1.04 亿元、0.02 亿元和 1.65 亿元。

营运活动产生的现金流

2009 年由营运活动产生的净现金流出为人民币 7.06 亿元，比上年同期的流入人民币 50.24 亿元减少了人民币 57.30 亿元，一方面是受金融危机影响，本集团主要产品于 2009 年度的平均销售价格大幅下降使得来自于产品销售的现金流入减少，另一方面于 2008 年年末本集团预收的铝锭货款 27.7 亿元，按照协议在 2009 年完成交货实现销售。

投资活动产生的现金流

2009 年由投资活动产生的净现金流出为人民币 94.77 亿元，比上年同期的流出人民币 222.07 亿元减少了人民币 127.30 亿元，降幅明显，主要是本集团在 2009 年继续采取有保有压的投资政策，有效控制了投资支出水平所致。

融资活动产生的现金流

2009 年由融资活动产生的净现金流入为人民币 15.77 亿元，比上年同期的流入人民币 243.70 亿元，减少人民币流入 227.93 亿元。主要是由于本集团大幅度压缩投资规模，提高资金使用效率，降低融资需求，有效控制了贷款规模的扩大。

非经常性损益（按照中国企业会计准则有关规定计算）

本集团 2009 年发生的归属于母公司股东的非经常性损益为收益人民币 3.96 亿元。其中，本集团持有交易性金融资产、交易性金融负债产生的公允价值变动损益，以及处置交易性金融资产、交易性金融负债和可供出售金融资产取得的投资收益为人民币 4.28 亿元；补贴收入为人民币 1.51 亿元；单独进行减值测试的应收账款坏账准备转回增加收益人民币 0.09 亿元；同一控制下企业合并产生的子公司期初至合并日的当期收益为 0.03 亿；其他营业外收支净额为收入人民币 0.06 亿元；非流动性资产处置净损失为人民币 0.27 亿元。上述非经常性收益对所得税影响数为人民币 1.34 亿元，对少数股东权益的税后影响金额为 0.40 亿元。

公司是否披露过盈利预测或经营计划：否

1、公司主营业务及其经营状况

(1) 主营业务分行业、产品情况

单位:千元 币种:人民币

分行业或分产品	营业收入	营业成本	营业利润率(%)	营业收入比上年增减(%)	营业成本比上年增减(%)	营业利润率比上年增减（%）
分行业						
铝行业	68,556,451	67,369,812	1.73	-6.95	0.9	减少 7.65 个百分点
分产品						
氧化铝板块	19,608,475	20,252,517	-3.28	-35.71	-25.32	减少 14.37 个百分点
电解铝板块	48,650,066	46,670,154	4.07	-3.52	-1.60	减少 1.88 个百分点
铝加工板块	8,407,319	8,620,641	-2.54	-17.09	-13.87	减少 3.83 个百分点

(2) 主营业务分地区情况

单位:千元 币种:人民币

地区	营业收入	营业收入比上年增减（%）
境内	68,534,527	-6.77
境外	21,924	-86.70

2、对公司未来发展的展望

(1) 新年度经营计划

收入计划(亿元)	费用计划(亿元)	新年度经营目标	为达目标拟采取的策略和行动
		本公司将按照效益最大化原则组织生产，确保生产经营稳定运行。氧化铝产量预计比 2009 年增长约 34.06%，电解铝产量预计比 2009 年增长 15.12%	2010 年，全球经济继续复苏，需求回升，但仍然存在一些不确定性因素，铝价将震荡向上。本公司将围绕效益优先、存量优先、创新优先、资源优先，以再造竞争新优势为重点，着手进行全方位深层次结构调整。继续推进成本领先战略、坚定不移地推进降本增效、加大资源获取和科技创新力度，以确保实现扭亏为盈。为此，本公司将重点做好以下工作： 1.强化生产组织，按照效益最大化原则组织生产，确保生产经营稳定；进一步发挥产业链的整体优势，降低成本和经营风险。 2.积极着手进行产业结构调整，优化存量资产结构、降本增效、节能降耗。统筹项目布局，用成本低、竞争力强的项目替代高成本产能；产业布局向资源、能源富集区和消费市场密集区域集中；产品向高质量、高技术含量、高附加值、高市场竞争力转变；生产向安全、清洁、节约、低排放、循环利用转变；经营向低成本、高效率、高效益转变；管理向精细化、集约型转变；优化投资结构，降低投资成本。 3.全方位加强预算管理和资金的集中管理，强化财务控制能力，提高预算管理和资金配置的质量和效率；着力实施成本领先战略，努力降低生产成本；严格控制公司负债规模，进一步加强现金流预算管理，保持安全的现金储备；强化资金报表分析，进一步优化债务结构和融资结构，降低资金成本，提高资金使用效率，防范信贷风险；加强对子公司债务风险的监测和管控，完善债务风险监测预警方案，合理确定重点监测范围和管控措施，防范债务风险。 4.大力推进资源战略，加快矿山建设，提高供矿安全可靠程度；加快选矿工业应用进程，加强资源的合理配置，提高资源综合利用水平；继续推进海外开发项目。 5.大力推进科技战略，围绕降本增效、节能减排和技术储备，以优化结构、实现经济效益最大化为前提，推进成熟技术的产业化,提高工艺装备水平和产品质量；加快科技项目的研发进度，积极采用先进适用技术，降低资源和能源消耗，加快产业优化升级；同时有选择地开展科技攻关和应用基础研究，保障公司可持续发展。 6.抓住原材料低价位的有利时机进行适度的战略储备,将集中采购与企业灵活采购结合，降低库存成本及采购成本。优化营销策略，在"集中管理，授权经营"的管理体制下，创新市场营销模式，加强市场分析和预测，提高市场把握能力和市场运作水平，建立健全市场预警机制，巩固及扩大市场份额，实现产销平衡。 7.优化投资结构。优化设计，严格控制项目概算，项目建设实行全过程监控，降低投资成本,确保项目取得预期效益。继续推行投资项目问责制。 8.加强内控体系建设，推进全面风险管理，完善内部监督机制，加强对重点领域的风险防控和内部审计。 9.继续积极推进直购电合作和谈判工作。

PUBLIC FILE

(2) 公司是否编制并披露新年度的盈利预测：是
本集团将按照效益最大化原则组织生产，确保生产经营稳定。

(二) 公司投资情况

单位:万元

报告期内投资额	1,080,049.97
投资额增减变动数	-890,706.81
上年同期投资额	1,970,756.78
投资额增减幅度(%)	-45.20

1、募集资金使用情况
报告期内，公司无募集资金或前期募集资金使用到本期的情况。

2、非募集资金项目情况

单位:亿元 币种:人民币

项目名称	项目金额	项目进度	项目收益情况
重庆氧化铝项目	49.7	截至 2009 年底，已经完成投资 42.2 亿元	形成氧化铝产能 80 万吨
遵义氧化铝项目	44.1	截至 2009 年底，已经完成投资 36.5 亿元	形成氧化铝产能 80 万吨
西南铝冷连轧项目	16.4	截至 2009 年底，已经完成投资 12.5 亿元	形成铝加工产能 25 万吨
中铝瑞闽高精铝板带项目	28.7	截至 2009 年底，已经完成投资 16.8 亿元	形成铝加工产能 25 万吨
西北铝加工分公司铝箔项目	11.4	截至 2009 年底,已经完成投资 6.5 亿元	形成铝加工产能 3.5 万吨
合计	150.3	/	/

(三) 陈述董事会对公司会计政策、会计估计变更、重大会计差错更正、重大遗漏信息补充以及业绩预告修正的原因及影响的讨论结果，以及对有关责任人采取的问责措施及处理结果
2009 年 1 月 1 日以前，本集团根据财会函[2008]60 号文《关于做好执行企业会计准则企业 2008 年年报工作的通知》及《企业会计准则讲解 2008》的规定，对安全生产费核算方法为提取时以利润分配形式在股东权益中的盈余公积下的专项储备单独列示，按规定范围发生费用性支出时计入当期损益。同时，按照当期安全生产费的实际使用金额在股东权益内部进行结转，冲减盈余公积下的专项储备并增加未分配利润，以专项储备余额冲减至零为限。

根据财政部于 2009 年 6 月 11 日颁布的《企业会计准则解释第 3 号》中有关安全生产费的规定，对按照国家规定提取的安全生产费，改为提取时计入相关产品的成本或当期损益，同时计入股东权益中的专项储备。使用提取的安全生产费时，属于费用性的支出于发生时直接冲减专项储备；属于资本性的支出于完工时转入固定资产，同时按照形成固定资产的成本冲减专项储备，并全额确认累计折旧，相关固定资产在以后期间不再计提折旧。

按照《企业会计准则解释第 3 号》的相关要求，此项会计政策变更采用追溯调整。