

## BALANCE SHEET (Under PRC GAAP)

	NOTES	31st December,	
		2000	1999
		RMB	RMB
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Bank balances and cash	4	844,754,367	517,686,974
Bills receivable		16,798,987	57,320,937
Accounts receivable	5	958,015,860	873,227,349
Other receivable	6	491,401,223	380,600,396
Less: Provision for bad debts	5	87,044,219	87,516,680
Net receivable		1,362,372,864	1,166,311,065
Prepayments	7	63,858,468	111,987,457
VAT refundable	8	221,500,273	64,774,442
Inventories	9	262,901,887	310,449,561
Less: Stock provision		–	–
Inventories, net		262,901,887	310,449,561
Deferred expenditures	10	156,070,150	78,939,660
<b>TOTAL CURRENT ASSETS</b>		<b>2,928,256,996</b>	<b>2,307,470,096</b>
<b>FIXED ASSETS</b>			
Fixed assets at cost	11	8,756,556,850	8,209,042,685
Less: Accumulated depreciation	11	3,796,796,179	3,502,662,937
<b>FIXED ASSETS, NET</b>	11	<b>4,959,760,671</b>	<b>4,706,379,748</b>
Construction materials	12	4,651,893	12,788,004
Construction in progress	13	245,130,684	500,076,594
<b>TOTAL FIXED ASSETS</b>		<b>5,209,543,248</b>	<b>5,219,244,346</b>
<b>Intangible and other assets</b>			
Intangible assets	14	290,979,405	296,777,530
Pre-operating expenses	15	3,671,461	5,507,185
Long-term deferred expenditures	15	5,992,615	–
<b>TOTAL INTANGIBLES AND OTHER ASSETS</b>		<b>300,643,481</b>	<b>302,284,715</b>
<b>TOTAL ASSETS</b>		<b>8,438,443,725</b>	<b>7,828,999,157</b>

Notes are an integral part of the financial statements.

**BALANCE SHEET (Under PRC GAAP) (Cont'd)**

		31st December,	
		2000	1999
NOTES		RMB	RMB
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Notes payable	16	318,400,000	47,360,000
Accounts payable	17	568,290,178	492,222,965
Advance from customers	18	93,740,947	63,444,481
Payroll payable		34,727,203	31,165,881
Dividend payable	19	221,400,000	231,400,000
Tax payable	20	159,409,303	323,261,088
Other payables	21	215,337,981	355,788,600
<b>TOTAL CURRENT LIABILITIES</b>		<u>1,611,305,612</u>	<u>1,544,643,015</u>
<b>TOTAL LIABILITIES</b>		<u>1,611,305,612</u>	<u>1,544,643,015</u>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	22	2,600,000,000	2,600,000,000
Capital reserves	23	2,526,228,929	2,526,228,929
Surplus reserve	24	366,946,379	252,319,083
Including: Statutory Common Welfare Fund		122,315,460	84,106,361
Unappropriated profits	25	1,333,962,805	905,808,130
<b>SHAREHOLDERS' EQUITY</b>		<u>6,827,138,113</u>	<u>6,284,356,142</u>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<u><u>8,438,443,725</u></u>	<u><u>7,828,999,157</u></u>

Notes are an integral part of the financial statements.