

Consolidated Balance Sheet

(Prepared under PRC accounting standards)

31 December 2002

ASSETS	Note V	2002 RMB	2001 RMB
CURRENT ASSETS:			
Cash and balances with financial institutions	1	1,074,104,316	1,322,172,382
Short term investments	3	11,304,862	111,796,803
Bills receivable	4	666,033,907	878,498,188
Trade receivables	5	176,866,554	319,069,657
Other receivables	6	84,740,291	140,614,998
Prepayments	7	587,590,405	572,868,695
Inventories	8	1,641,088,387	1,775,084,709
Long term debt investments due within a year	9	–	1,600,000
Total current assets		4,241,728,722	5,121,705,432
LONG TERM INVESTMENTS:			
Long term equity investments	10	6,517,035	6,417,035
Long term debt investments	10	21,558,870	21,558,870
Total long term investments		28,075,905	27,975,905
FIXED ASSETS:			
Cost	11	14,755,206,643	14,964,186,811
Less: Accumulated depreciation	11	(5,109,209,319)	(4,790,914,536)
Net book value	11	9,645,997,324	10,173,272,275
Less: Impairment provision	11	(296,367,100)	(125,431,412)
Fixed assets, net	11	9,349,630,224	10,047,840,863
Construction materials	12	838,980,700	329,936,821
Construction in progress	13	1,820,266,051	315,159,819
Total fixed assets		12,008,876,975	10,692,937,503
INTANGIBLE AND OTHER ASSETS:			
Intangible assets	14	859,828,996	880,394,034
TOTAL ASSETS		17,138,510,598	16,723,012,874

The accompanying notes form an integral part of the financial statements.

Consolidated Balance Sheet (continued)

(Prepared under PRC accounting standards)

31 December 2002

LIABILITIES AND SHAREHOLDERS' FUNDS	Note V	2002 RMB	2001 RMB
CURRENT LIABILITIES:			
Short term loans	15	918,977,295	985,930,885
Trade payables	16	1,051,715,048	809,309,123
Deposits received	17	833,054,825	549,656,178
Wages payable	18	26,980,185	500,175
Staff welfare payable	19	22,784,919	11,950,910
Dividend payable	41	225,935,500	129,106,000
Tax payable	20	95,227,957	259,548,893
Other taxes payable	21	20,872,712	16,860,319
Other payables	22	219,220,433	195,895,675
Accrued charges	23	192,346,971	235,172,949
Long term loans due within a year	24	215,544,450	246,733,508
Total current liabilities		3,822,660,295	3,440,664,615
LONG TERM LIABILITIES:			
Long term loans	25	769,130,264	837,333,288
Specific payables	26	525,840,000	485,840,000
Other long term liabilities	27	158,047,270	182,067,859
Total long term liabilities		1,453,017,534	1,505,241,147
DEFERRED CREDIT	44	-	1,373,630,913
SHAREHOLDERS' FUNDS:			
Share capital	28	6,455,300,000	6,455,300,000
Capital reserve	29	4,864,975,395	3,491,344,482
Surplus reserves	30	502,754,193	420,709,943
including: statutory public welfare fund	30	251,112,646	210,304,166
Retained profits	31	39,803,181	36,121,774
Total shareholders' funds		11,862,832,769	10,403,476,199
TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS		17,138,510,598	16,723,012,874

The accompanying notes form an integral part of the financial statements.

Company Representative:
Gu Jianguo
2 April 2003

Chief Accountant:
Su Jianguo
2 April 2003

Head of Accounting Department:
Guan Yagang
2 April 2003