

As at December 31, 2002

(In RMB Yuan)

	December 31, 2002 Group	December 31, 2001 Group	December 31, 2002 Company	December 31, 2001 Company
ASSETS				
CURRENT ASSETS				
Cash and bank (Note V-1)	32,804,641	36,917,002	29,575,296	25,161,349
Short-term investments				
Notes receivable (Note V-2)	6,355,009	45,708,324	6,355,009	25,867,970
Dividend receivable	–	1,860,000	–	21,600,295
Interest receivable				
Accounts receivable (Note V-3)	678,569,672	735,406,409	703,699,081	726,747,085
Other receivables (Note V-4)	53,421,209	289,037,977	34,320,967	261,771,043
Advances to suppliers (Note V-5)	181,636,501	208,534,117	181,392,379	208,032,155
Subsidy receivable				
Inventories (Note V-6)	1,394,227,961	1,179,815,974	1,385,901,762	1,169,364,322
Prepaid expenses (Note V-7)	17,392,209	62,724,200	16,749,750	62,453,195
Long-term bond investments maturing within one year				
Other current assets				
Total current assets	2,364,407,202	2,560,004,003	2,357,994,244	2,500,997,414
LONG-TERM INVESTMENTS				
Long-term equity investments (Note V-8)	62,967,330	301,283,112	173,718,909	439,521,264
Long-term bond investments				
Total long-term investments	62,967,330	301,283,112	173,718,909	439,521,264
Including: Consolidation difference				
FIXED ASSETS				
Fixed assets-cost	14,256,524,163	13,032,296,702	13,888,213,906	12,676,954,991
Less: Accumulated depreciation	(5,044,779,819)	(3,981,761,970)	(4,907,349,217)	(3,863,825,506)
Fixed assets-net book value	9,211,744,344	9,050,534,732	8,980,864,689	8,813,129,485
Less: Impairment of fixed assets	(323,843,932)	–	(309,861,188)	–
Fixed assets-net book amount (Note V-9)	8,887,900,412	9,050,534,732	8,671,003,501	8,813,129,485
Construction materials	4,525,097	6,835,620	4,525,097	6,835,620
Construction in progress (Note V-10)	1,590,672,260	1,177,442,908	1,590,672,260	1,177,442,908
Fixed assets pending disposal				
Total fixed assets	10,483,097,769	10,234,813,260	10,266,200,858	9,997,408,013
INTANGIBLE AND OTHER ASSETS				
Intangible assets (Note V-11)	1,303,212,386	1,336,274,160	1,302,048,855	1,335,026,340
Long-term deferred expenses (Note V-12)	122,546,224	99,576,935	122,546,224	99,576,935
Other long-term assets				
Total intangible and other assets	1,425,758,610	1,435,851,095	1,424,595,079	1,434,603,275
DEFERRED TAXES				
Deferred tax assets				
TOTAL ASSETS	14,336,230,911	14,531,951,470	14,222,509,090	14,372,529,966

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

*Balance Sheets**As at December 31, 2002**(In RMB Yuan)*

	December 31, 2002 Group	December 31, 2001 Group	December 31, 2002 Company	December 31, 2001 Company
LIABILITIES AND SHAREHOLDER'S EQUITY				
CURRENT LIABILITIES				
Short-term loans (<i>Note V-13</i>)	3,876,460,000	3,138,600,000	3,792,860,000	3,020,000,000
Notes payable				
Accounts payable (<i>Note V-14</i>)	1,424,133,274	654,014,009	1,422,262,548	641,650,966
Advances from customers (<i>Note V-14</i>)	257,236,354	195,071,689	246,439,988	179,511,613
Salaries payable	73,643,339	16,284,259	64,289,563	15,070,000
Welfare payable	21,767,283	13,741,464	15,227,441	11,236,585
Dividend payable (<i>Note V-15</i>)	–	1,150,198	–	–
Taxes payable (<i>Note V-16</i>)	(86,116,348)	(62,643,930)	(86,999,589)	(63,579,546)
Other levies payable				
Other payables (<i>Note V-14</i>)	365,354,975	164,960,426	396,753,167	200,012,198
Accrued expenses	28,397,947	97,813,982	28,397,947	97,813,982
Provisions				
Long-term liabilities due within one year (<i>Note V-17</i>)	1,660,224,778	402,884,868	1,660,224,778	402,884,868
Other current liabilities				
Total current liabilities	<u>7,621,101,602</u>	<u>4,621,876,965</u>	<u>7,539,455,843</u>	<u>4,504,600,666</u>
LONG-TERM LIABILITIES				
Long-term loans (<i>Note V-18</i>)	2,935,908,319	4,836,973,714	2,935,908,319	4,836,973,714
Debentures payable				
Payables due after one year				
Special project payables				
Other long-term liabilities (<i>Note V-19</i>)	890,896,547	1,148,589,531	890,896,547	1,148,589,531
Total long-term liabilities	<u>3,826,804,866</u>	<u>5,985,563,245</u>	<u>3,826,804,866</u>	<u>5,985,563,245</u>
DEFERRED TAXES				
Deferred tax liabilities				
TOTAL LIABILITIES	<u>11,447,906,468</u>	<u>10,607,440,210</u>	<u>11,366,260,709</u>	<u>10,490,163,911</u>
MINORITY INTERESTS	<u>32,455,217</u>	<u>42,766,634</u>	<u>–</u>	<u>–</u>
SHAREHOLDERS' EQUITY				
Share capital (<i>Note V-20</i>)	3,561,078,000	3,561,078,000	3,561,078,000	3,561,078,000
Capital surplus (<i>Note V-21</i>)	2,293,618,886	2,293,618,886	2,293,618,886	2,293,618,886
Statutory common reserve fund (<i>Note V-22</i>)	701,442,717	701,064,536	693,730,248	693,730,248
Including: Statutory common welfare fund	126,834,279	126,834,279	125,287,623	125,287,623
Accumulated losses (<i>Note V-23</i>)	(3,700,270,377)	(2,674,016,796)	(3,692,178,753)	(2,666,061,079)
Foreign exchange difference reserve				
Total shareholders' equity	<u>2,855,869,226</u>	<u>3,881,744,626</u>	<u>2,856,248,381</u>	<u>3,882,366,055</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>14,336,230,911</u>	<u>14,531,951,470</u>	<u>14,222,509,090</u>	<u>14,372,529,966</u>

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

<i>Legal representative:</i>	<i>General manager:</i>	<i>Person in charge of accounting function (Chief accountant):</i>	<i>Person in charge of accounting department:</i>
Yu Li	Shi Jian Xun	Lan Yun Sheng	Liao Hong Wei