

Balance Sheet (under PRC GAAP)

At December 31, 2003

	NOTES	The Group		The Company	
		December	December	December	December
		31, 2003	31, 2002	31, 2003	31, 2002
		RMB	RMB	RMB	RMB
ASSETS					
CURRENT ASSETS:					
Bank balances and cash	6	2,041,293,313	1,595,933,728	2,039,188,498	1,592,397,958
Current investments	7	100,000,000	88,702,100	100,000,000	88,702,100
Notes receivable	8	700,388,322	239,974,223	699,788,322	239,974,223
Dividends receivable		–	–	–	655,479
Accounts receivable	9	592,472,845	573,446,193	592,338,155	573,446,193
Other receivables	10	110,087,471	223,141,786	104,440,688	222,698,314
Prepayments	12	73,985,140	146,339,631	72,892,465	145,812,599
Subsidies receivable	13	275,624,031	342,595,878	275,624,031	342,595,878
Inventories	14	502,028,543	576,579,303	496,630,233	569,496,944
Deferred expenses	15	94,646,431	110,560,888	94,646,431	110,560,888
TOTAL CURRENT ASSETS		4,490,526,096	3,897,273,730	4,475,548,823	3,886,340,576
LONG-TERM EQUITY					
INVESTMENTS	16/51(1)	43,059,196	31,897,684	47,651,692	36,672,090
FIXED ASSETS:					
Fixed assets – cost	17	14,899,151,764	13,632,796,969	14,879,833,312	13,631,983,945
Less: Accumulated depreciation	17	6,368,525,737	5,480,779,065	6,362,240,000	5,480,563,829
Fixed assets – net book value	17	8,530,626,027	8,152,017,904	8,517,593,312	8,151,420,116
Materials held for construction of fixed assets	18	1,721,281	1,899,659	1,721,281	1,899,659
Fixed assets under construction	19	84,026,862	123,022,757	84,026,862	123,022,757
TOTAL FIXED ASSETS		8,616,374,170	8,276,940,320	8,603,341,455	8,276,342,532
INTANGIBLE ASSETS	20	788,638,696	777,436,629	788,638,696	777,436,629
TOTAL ASSETS		13,938,598,158	12,983,548,363	13,915,180,666	12,976,791,827

The accompanying notes are part of the financial statements.

NOTES	The Group		The Company		
	December	December	December	December	
	31, 2003	31, 2002	31, 2003	31, 2002	
	RMB	RMB	RMB	RMB	
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES:					
Notes payable	21	–	108,001,674	–	108,001,674
Accounts payable	22	454,719,215	557,175,701	454,882,230	556,939,363
Advances from customers	23	664,829,863	171,826,093	664,132,172	170,508,547
Salaries and wages payable		70,633,118	46,389,189	70,633,118	46,389,189
Taxes payable	24	326,377,720	206,139,942	325,566,923	206,021,490
Other payables	25	616,930,523	542,999,385	598,597,605	542,851,634
Provisions	26	85,022,022	83,043,947	85,022,022	83,043,947
Long-term payable due within one year	27/28	213,247,800	13,247,800	213,247,800	13,247,800
TOTAL CURRENT LIABILITIES		2,431,760,261	1,728,823,731	2,412,081,870	1,727,003,644
LONG-TERM LIABILITIES:					
Long-term loan	27	400,000,000	1,200,000,000	400,000,000	1,200,000,000
Long-term payable	28	79,487,360	92,735,160	79,487,360	92,735,160
TOTAL LONG-TERM LIABILITIES		479,487,360	1,292,735,160	479,487,360	1,292,735,160
TOTAL LIABILITIES		2,911,247,621	3,021,558,891	2,891,569,230	3,019,738,804
MINORITY INTERESTS		3,739,101	4,936,449	–	–
SHAREHOLDERS' EQUITY:					
Share capital	29	2,870,000,000	2,870,000,000	2,870,000,000	2,870,000,000
Capital reserves	30	4,714,195,106	4,454,521,340	4,714,195,106	4,454,521,340
Surplus reserves	31	748,235,658	582,343,347	747,984,174	582,179,477
Including: Statutory common welfare fund		249,453,800	194,141,761	249,328,058	194,059,826
Cash dividend proposed after the balance sheet date	32	470,680,000	298,480,000	470,680,000	298,480,000
Unappropriated profits	33	2,220,500,672	1,751,708,336	2,220,752,156	1,751,872,206
TOTAL SHAREHOLDERS' EQUITY		11,023,611,436	9,957,053,023	11,023,611,436	9,957,053,023
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		13,938,598,158	12,983,548,363	13,915,180,666	12,976,791,827

The accompanying notes are part of the financial statements.

The financial statements on pages 90 to 133 were signed by the following:

Head of the Company:
Mo Li Qi

Chief Financial Officer:
Wu Yu Xiang

Head of Accounting Department:
Zhang Bao Cai