

Consolidated Balance Sheet

(Prepared under PRC accounting standards)
31 December 2003

ASSETS	Note V	31 December 2003 RMB	31 December 2002 RMB
CURRENT ASSETS:			
Cash and balances with financial institutions	1	2,418,293,897	1,074,104,316
Short term investments	3	13,568,593	11,304,862
Bills receivable	4	2,121,201,173	666,033,907
Trade receivables	5	211,692,345	176,866,554
Other receivables	6	132,757,214	84,740,291
Prepayments	7	1,059,024,343	587,590,405
Inventories	8	2,377,500,358	1,641,088,387
Total current assets		<u>8,334,037,923</u>	<u>4,241,728,722</u>
LONG TERM INVESTMENTS:			
Long term equity investments	9	163,393,035	6,517,035
Long term debt investment	9	16,238,870	21,558,870
Total long term investments		<u>179,631,905</u>	<u>28,075,905</u>
FIXED ASSETS:			
Cost	10	19,803,736,812	14,755,206,643
Less: Accumulated depreciation	10	(5,848,993,316)	(5,109,209,319)
Net book value	10	13,954,743,496	9,645,997,324
Less: Impairment provision	10	(200,566,300)	(296,367,100)
Fixed assets, net	10	13,754,177,196	9,349,630,224
Construction materials	11	313,428,274	838,980,700
Construction in progress	12	2,910,144,722	1,820,266,051
Total fixed assets		<u>16,977,750,192</u>	<u>12,008,876,975</u>
INTANGIBLE AND OTHER ASSETS:			
Intangible assets	13	863,809,293	859,828,996
TOTAL ASSETS		<u><u>26,355,229,313</u></u>	<u><u>17,138,510,598</u></u>

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

Consolidated Balance Sheet (continued)

(Prepared under PRC accounting standards)
31 December 2003

LIABILITIES AND SHAREHOLDERS' FUNDS	Note V	31 December 2003 RMB	31 December 2002 RMB
CURRENT LIABILITIES:			
Short term loans	14	1,919,932,705	918,977,295
Trade payables	15	2,319,681,215	1,051,715,048
Deposits received	16	1,663,719,536	833,054,825
Wages payable	17	612,565	26,980,185
Staff welfare payable		27,380,582	22,784,919
Tax payable	18	335,814,852	95,227,957
Other taxes payable	19	32,325,649	20,872,712
Other payables	20	473,087,665	219,220,433
Accrued charges	21	128,772,733	192,346,971
Long term loans due within a year	22	85,278,689	215,544,450
Total current liabilities		<u>6,986,606,191</u>	<u>3,596,724,795</u>
LONG TERM LIABILITIES:			
Long term loans	23	3,969,176,113	769,130,264
Specific payables	24	276,980,000	525,840,000
Other long term liabilities	25	126,702,670	158,047,270
Total long term liabilities		<u>4,372,858,783</u>	<u>1,453,017,534</u>
Total liabilities		<u>11,359,464,974</u>	<u>5,049,742,329</u>
MINORITY INTERESTS	26	<u>35,419,720</u>	–
SHAREHOLDERS' FUNDS:			
Share capital	27	6,455,300,000	6,455,300,000
Capital reserve	28	5,169,865,095	4,864,975,395
Surplus reserves	29	1,066,995,459	502,754,193
including: statutory public welfare fund	29	532,839,291	251,112,646
Retained profits	30	912,571,065	39,803,181
Proposed ordinary share dividend	42	1,355,613,000	225,935,500
Total shareholders' funds		<u>14,960,344,619</u>	<u>12,088,768,269</u>
TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS		<u>26,355,229,313</u>	<u>17,138,510,598</u>

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

Company Representative:
Gu Jianguo
13 April 2004

Chief Accountant:
Su Jianguang
13 April 2004

Head of Accounting Department:
Guan Yagang
13 April 2004