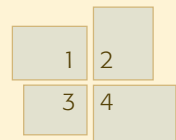


Milestones of 2003



Mar Shanghai Pudong International Container Terminals Limited, a joint venture under the Shanghai Pudong Waigaoqiao Container Terminal Phase One Project, commenced formal operation. (pix 1)

Apr Acquired a 30% stake in Huqingyutang Pharmaceutical for a consideration of RMB\$78.67 million (pix 2)

May Disposed of its entire 51% interest in Orient Shopping to Shanghai Yibai (Holdings) Company Ltd.

May SMIC Fab 1 awarded one of the "Top Fabs of 2003" by *Semiconductor International* (pix 3)

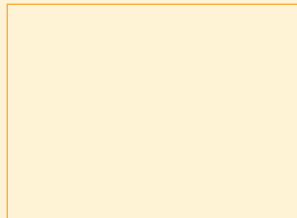
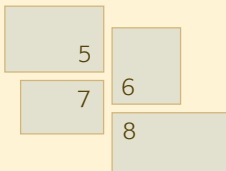
May Announced two large-scale reorganisation moves of medicine business segment: a 56.63% stake acquisition in SI United, an "A" Share company listed on the Shanghai Stock Exchange for a consideration of RMB866.46 million; the privatisation of the GEM-listed SIIC MedTech for a consideration of HK\$517.65 million (pix 4)

Jun Completed the integration of a management team at the Shanghai Regional Head Office to strengthen operation management

Aug Announced 2003 interim results with a net profit of approximately HK\$491.49 million, representing an increase of approximately 1.3% over 2002

Aug Disposed of all its entire interests in two infrastructure projects in Shanghai, being Yanan Elevated Road, the Inner Ring Road and the North-South Elevated Expressway, and received reimbursements of US\$702,475,363 and RMB300 million

Milestones of 2003



Aug Contributed capital of RMB250 million to form a joint venture, China Water & Sewage Treatment Company Limited, with a subsidiary of China Energy Conservation Investment Corporation, to be engaged in the development and operation of water services business in the PRC market. Upon approval by Ministry of Commerce, PRC in October, the joint venture commenced formal operation in November

Aug Acquired a 100% stake in Shanghai Hu-Ning Expressway (Shanghai Section) Company Limited for a consideration of RMB2 billion and being granted the right to operate for a period of 25 years. An agreement was signed in December (pix 5)

Sep SMIC launched a US\$636 million placement of its Series C preference shares. The Group increased investment by US\$32 million (pix 6)

Sep SIIC MedTech officially withdrew listing of its shares from the GEM Board of the Hong Kong Stock Exchange

Dec SMIC acquired a fab in Tianjin from Motorola by way of a placement of Series D preference shares at a price of US\$360 million

Dec Sunway Biotech completed the H101 Phase III clinical trials

Dec SIIC MedTech was presented the 'Best BioTechnology Company' award by *Capital* magazine and the '2003 Deloitte Touche Tohmatsu Asia Pacific Technology Fast 500' award by Deloitte Touche Tohmatsu (pix 7)

Dec Bright Dairy has been selected one of the 'Shanghai Stock Exchange 50 A-Share Index' (pix 8)