

Consolidated Balance Sheet

(Prepared under PRC accounting standards)

31 December 2004

ASSETS	Note V	31 December 2004 RMB	31 December 2003 RMB
CURRENT ASSETS:			
Cash and balances with financial institutions	1	2,181,496,179	2,418,293,897
Short term investments	3	13,568,593	13,568,593
Bills receivable	4	2,233,825,798	2,121,201,173
Trade receivables	5	276,552,306	211,692,345
Other receivables	6	87,349,876	132,757,214
Prepayments	7	693,349,620	1,059,024,343
Inventories	8	4,754,183,701	2,377,500,358
Total current assets		10,240,326,073	8,334,037,923
LONG TERM INVESTMENTS:			
Long term equity investments	9	166,835,223	163,393,035
Long term debt investment	9	13,578,870	16,238,870
Total long term investments		180,414,093	179,631,905
FIXED ASSETS:			
Cost	10	25,423,116,672	19,803,736,812
Less: Accumulated depreciation	10	(7,436,723,575)	(5,848,993,316)
Net book value	10	17,986,393,097	13,954,743,496
Less: Impairment provision	10	(117,056,844)	(200,566,300)
Fixed assets, net	10	17,869,336,253	13,754,177,196
Construction materials	11	468,967,130	313,428,274
Construction in progress	12	1,843,130,392	2,910,144,722
Total fixed assets		20,181,433,775	16,977,750,192
INTANGIBLE AND OTHER ASSETS:			
Intangible assets	13	859,020,589	863,809,293
TOTAL ASSETS		31,461,194,530	26,355,229,313

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

Consolidated Balance Sheet (continued)

(Prepared under PRC accounting standards)

31 December 2004

LIABILITIES AND SHAREHOLDERS' FUNDS	Note V	31 December 2004 RMB	31 December 2003 RMB
CURRENT LIABILITIES:			
Short term loans	14	1,580,921,650	1,919,932,705
Bills payable	15	80,000,000	–
Accounts payable	16	3,192,160,560	2,319,681,215
Deposits received	17	3,482,897,857	1,663,719,536
Wages payable	18	45,276,065	612,565
Staff welfare payable	19	62,006,866	27,380,582
Taxes payable	20	711,333,016	335,814,852
Other taxes payable	21	48,824,630	32,325,649
Other payables	22	326,017,667	473,087,665
Accrued charges	23	70,321,211	128,772,733
Long term loans due within a year	24	80,841,669	85,278,689
Total current liabilities		9,680,601,191	6,986,606,191
LONG TERM LIABILITIES:			
Long term loans	25	4,134,143,501	3,969,176,113
Specific payables	26	19,800,000	276,980,000
Other long term liabilities	27	114,757,600	126,702,670
Total long term liabilities		4,268,701,101	4,372,858,783
Total liabilities		13,949,302,292	11,359,464,974
MINORITY INTERESTS	28	76,314,528	35,419,720
SHAREHOLDERS' FUNDS:			
Share capital	29	6,455,300,000	6,455,300,000
Capital reserve	30	5,427,045,095	5,169,865,095
Surplus reserves	31	1,794,626,973	1,066,995,459
including: statutory public welfare fund	31	892,852,471	532,839,291
Retained profits	32	3,758,605,642	2,268,184,065
including: cash dividend proposed by directors	44	1,420,166,000	1,355,613,000
Total shareholders' funds		17,435,577,710	14,960,344,619
TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS		31,461,194,530	26,355,229,313

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

Company Representative:

Gu Jianguo

25 April 2005

Chief Accountant:

Su Jianguo

25 April 2005

Head of Accounting Department:

Guan Yagang

25 April 2005