

# BALANCE SHEET

## Appendix I

### Interim financial report prepared under the PRC accounting standards

Unit: RMB

Assets	Notes	2005.6.30		2004.12.31	
		HOLDING COMPANY	GROUP	HOLDING COMPANY	GROUP
<b>CURRENT ASSETS:</b>					
Cash and cash equivalents	6.1	482,093,420.79	1,060,048,314.91	669,694,796.14	1,287,820,466.58
Short-term investment		-	-	-	-
Notes receivable	6.2	17,465,000.00	17,465,000.00	9,340,000.00	9,340,000.00
Dividends receivable		-	-	-	-
Interests receivable		-	-	-	-
Accounts receivable	6.3	279,578,544.25	295,610,556.07	150,244,867.84	159,131,237.99
Other receivable	6.4	1,437,905,504.69	70,575,395.83	1,559,851,607.49	46,503,166.65
Prepayments	6.5	223,056,377.78	232,180,858.79	193,796,115.32	202,813,723.62
Inventory	6.6	212,120,034.23	217,973,914.65	141,210,333.23	143,777,728.76
Prepaid expense	6.7	-	118,754.05	241,585.36	274,031.77
Long-term debt investment due within 1 year		-	-	-	-
Other current assets		-	-	-	-
<b>TOTAL CURRENT ASSETS</b>		2,652,218,881.74	1,893,972,794.30	2,724,379,305.38	1,849,660,355.37
<b>LONG-TERM INVESTMENTS:</b>					
Long-term equity investment		604,741,292.87	3,616,927.50	462,071,473.67	100,743,669.07
Long-term debt investment		-	-	-	-
<b>TOTAL LONG-TERM INVESTMENTS</b>	6.8	604,741,292.87	3,616,927.50	462,071,473.67	100,743,669.07
Including: equity investment difference		-	-747,272.50	-	-804,755.00
<b>FIX ASSETS:</b>					
Fixed assets-cost:	6.9	14,623,869,592.86	17,046,872,761.75	13,017,015,827.02	15,297,234,142.60
Less: Accumulated depreciation		6,288,801,815.45	7,411,315,377.96	6,024,454,585.12	7,044,039,639.96
Fixed assets-net value		8,335,067,777.41	9,635,557,383.79	6,992,561,241.90	8,253,194,502.64
Less: provision devaluation of fixed assets		936,268.00	936,268.00	936,268.00	936,268.00
Fixed assets net book value		8,334,131,509.41	9,634,621,115.79	6,991,624,973.90	8,252,258,234.64
Construction material					
Construction in progress	6.10	1,148,051,779.61	1,324,513,627.92	1,247,275,780.35	1,293,051,471.63
Disposal of fixed assets					
<b>TOTAL OF FIX ASSETS</b>		9,482,183,289.02	10,959,134,743.71	8,238,900,754.25	9,545,309,706.27
<b>INTANGIBLE ASSETS AND OTHER ASSETS:</b>					
Intangible assets	6.11	5,111,422.77	5,111,422.77	5,337,434.97	5,337,434.97
Long-term deferred expenses	6.12	20,218,380.00	20,218,380.00	21,551,460.00	21,551,460.00
Other long-term assets					
<b>TOTAL OF INTANGIBLE ASSETS AND OTHER ASSETS</b>		25,329,802.77	25,329,802.77	26,888,894.97	26,888,894.97
<b>DEFERRED TAX:</b>					
Deferred tax debits					
<b>TOTAL ASSETS</b>		12,764,473,266.40	12,882,054,268.28	11,452,240,428.27	11,522,602,625.68

# BALANCE SHEET (continued)

Unit: RMB

LIABILITIES AND OWNER'S EQUITY	Notes	2005.6.30		2004.12.31	
		HOLDING COMPANY	GROUP	HOLDING COMPANY	GROUP
<b>CURRENT LIABILITIES:</b>					
Short-term loans	6.13	200,000,000.00	272,500,000.00	-	30,000,000.00
Notes payable		-	-	-	-
Accounts payable	6.14	255,939,102.80	273,524,446.38	152,187,055.58	162,209,240.95
Advances from customers	6.15	31,306,813.54	36,469,742.90	43,941,573.69	56,243,046.22
Accrued payroll		-	-	-	-
Accrued welfare		164,961,763.32	168,494,408.74	157,417,654.68	160,093,070.41
Dividends payable		-	-	-	-
Taxes payable	6.16	64,904,760.29	70,393,711.46	59,223,807.01	59,759,619.23
Other taxes payable	6.17	1,349,209.28	1,945,658.00	446,180.15	566,257.30
Other payable	6.18	187,094,284.89	191,831,411.44	267,830,809.87	270,013,321.72
Accrued expenses	6.19	19,097,688.10	19,044,684.87	4,762,579.12	4,822,875.38
Accrued liabilities		-	-	-	-
Long-term liabilities due within 1 year	6.20	289,063,768.86	289,063,768.86	338,109,149.74	338,109,149.74
Other currents liabilities		-	-	-	-
<b>TOTAL OF CURRENT LIABILITIES</b>		1,213,717,391.08	1,323,267,832.65	1,023,918,809.84	1,081,816,580.95
<b>LONG-TERM LIABILITIES:</b>					
Long-term loans	6.21	1,874,187,300.00	1,889,187,300.00	1,827,867,300.00	1,827,867,300.00
Debentures payable		-	-	-	-
Long-term payable	6.22	48,260,839.91	48,260,839.91	76,394,624.13	76,394,624.13
Other long-term loans		-	-	-	-
<b>TOTAL OF LONG TERM LIABILITIES</b>		1,922,448,139.91	1,937,448,139.91	1,904,261,924.13	1,904,261,924.13
<b>DEFERRED TAX:</b>					
Deferred tax credits		-	-	-	-
Deffered revenue		-	-	-	-
<b>TOTAL LIABILITIES</b>		3,136,165,530.99	3,260,715,972.56	2,928,180,733.97	2,986,078,505.08
<b>MINORITY INTEREST</b>		-	13,796,677.05	-	12,227,005.25
<b>OWNER'S EQUITY:</b>					
Share capital	6.23	3,326,000,000.00	3,326,000,000.00	3,326,000,000.00	3,326,000,000.00
Capital surplus	6.24	2,053,720,693.55	2,053,720,693.55	2,053,720,693.55	2,053,720,693.55
Reserved fund	6.25	820,620,371.65	838,835,019.56	820,620,371.65	833,297,281.39
Including: statutory public welfare reserve		344,598,306.37	351,191,803.34	344,598,306.37	348,889,622.91
Difference of foreign currency translation		-	124,611.34	-	-20,911.41
Retained earnings	6.26	3,427,966,670.21	3,388,861,294.22	2,323,718,629.10	2,311,300,051.82
<b>TOTAL OWNER'S EQUITY</b>		9,628,307,735.41	9,607,541,618.67	8,524,059,694.30	8,524,297,115.35
<b>TOTAL LIABILITIES AND OWNER'S EQUITY</b>		12,764,473,266.40	12,882,054,268.28	11,452,240,428.27	11,522,602,625.68