

Balance Sheet

At December 31, 2006

NOTES	The Group		The Company		
	December	December	December	December	
	31, 2006	31, 2005	31, 2006	31, 2005	
	RMB	RMB	RMB	RMB	
ASSETS					
CURRENT ASSETS:					
Bank balances and cash	5	6,028,060,759	7,278,972,385	5,615,399,136	6,297,641,649
Current investments	6	640,000,000	640,000,000	954,735,346	640,000,000
Notes receivable	7	2,061,620,338	2,100,443,880	2,061,620,338	2,100,243,880
Dividends receivable		-	-	298,582	-
Accounts receivable	8,10	214,170,457	134,802,711	181,851,451	134,802,711
Other receivables	9,10	192,373,095	143,528,596	563,655,156	398,177,622
Prepayments	11	115,894,464	73,704,963	105,414,667	78,776,194
Inventories	12	579,560,747	470,501,129	417,815,789	428,483,999
Deferred expenses	13	27,286,945	62,444,803	27,036,951	62,346,044
Other current assets	14	212,912,430	157,511,340	212,912,430	157,511,340
TOTAL CURRENT ASSETS		10,071,879,235	11,061,909,807	10,140,739,846	10,297,983,439
LONG-TERM INVESTMENTS					
Long-term equity investments	15	293,654,532	81,117,603	2,171,027,928	1,597,035,257
Including: Discrepancy on consolidation	15	231,473,839	18,936,910	-	-
Long-term debt investments	16	-	-	1,132,504,700	162,200,000
		293,654,532	81,117,603	3,303,532,628	1,759,235,257
FIXED ASSETS:					
Fixed assets-cost	17	17,192,725,855	15,978,522,004	15,853,380,321	15,669,699,268
Less: Accumulated depreciation	17	8,397,535,375	7,902,722,461	8,330,849,937	7,883,750,808
Fixed assets - net book value	17	8,795,190,480	8,075,799,543	7,522,530,384	7,785,948,460
Materials held for construction of fixed assets	18	525,897,325	194,334,918	21,829,853	8,926,618
Fixed assets under construction	19	2,197,521,485	711,236,841	111,624,099	124,679,186
TOTAL FIXED ASSETS		11,518,609,290	8,981,371,302	7,655,984,336	7,919,554,264
INTANGIBLE ASSETS AND OTHER ASSETS					
Intangible assets	20	791,219,540	815,161,408	728,963,957	761,255,776
Long-term deferred expenses	21	121,344,906	148,620,077	-	-
Other long-term assets	22	97,425,900	-	97,425,900	-
TOTAL INTANGIBLE ASSETS AND OTHER ASSETS		1,009,990,346	963,781,485	826,389,857	761,255,776
TOTAL ASSETS		22,894,133,403	21,088,180,197	21,926,646,667	20,738,028,736

The accompanying notes are part of the financial statements.

Balance Sheet (Cont'd)

At December 31, 2006

	NOTES	The Group		The Company	
		December 31, 2006 RMB	December 31, 2005 RMB	December 31, 2006 RMB	December 31, 2005 RMB
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES:					
Notes payable	23	168,945,054	136,779,128	137,843,036	136,779,128
Accounts payable	24	662,673,015	381,517,651	537,682,591	381,517,651
Advances from customers	25	732,812,102	527,865,895	722,618,722	527,793,426
Salaries and wages payable	26	210,216,780	127,539,246	174,764,641	126,888,680
Taxes payable	27	356,052,352	897,202,321	353,593,958	895,394,930
Other payables	28	1,760,353,295	1,194,089,906	1,431,145,704	885,365,147
Long-term payable due within one year	29/30	93,455,596	304,709,446	35,593,610	304,709,446
TOTAL CURRENT LIABILITIES		3,984,508,194	3,569,703,593	3,393,242,262	3,258,448,408
LONG-TERM LIABILITIES:					
Long-term loan	29	330,000,000	–	–	–
Long-term payable	30	487,116,135	322,936,910	487,116,135	322,936,910
TOTAL LONG-TERM LIABILITIES		817,116,135	322,936,910	487,116,135	322,936,910
TOTAL LIABILITIES		4,801,624,329	3,892,640,503	3,880,358,397	3,581,385,318
MINORITY INTERESTS		65,488,512	53,912,439	–	–
SHAREHOLDERS' EQUITY:					
Share capital	31	4,918,400,000	4,918,400,000	4,918,400,000	4,918,400,000
Capital reserves	32	5,078,960,786	4,865,480,791	5,078,960,786	4,865,480,791
Surplus reserves	33	1,704,611,989	1,528,790,703	1,704,295,405	1,528,474,119
Including: Statutory common welfare fund	33	–	509,649,665	–	509,491,373
Unappropriated profits	34	6,335,443,710	5,843,971,924	6,344,632,079	5,844,288,508
Including: Cash dividend proposed after the balance sheet date	34	983,680,000	1,082,048,000	983,680,000	1,082,048,000
Translation reserve		(10,395,923)	(15,016,163)	–	–
TOTAL SHAREHOLDERS' EQUITY		18,027,020,562	17,141,627,255	18,046,288,270	17,156,643,418
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		22,894,133,403	21,088,180,197	21,926,646,667	20,738,028,736

The accompanying notes are part of the financial statements.

The financial statements on pages 115 to 165 were signed by the following:

Wang Xin
Head of the Company:

Wu Yuxiang
Chief Financial Officer:

Zhao Qingchun
Head of Accounting Department: