

# Company Balance Sheet

(Prepared under PRC Accounting Standards)

31 December 2006

<b>ASSETS</b>	Note V	<b>31 December 2006 RMB</b>	31 December 2005 RMB
<b>CURRENT ASSETS:</b>			
Cash and balances with financial institutions		<b>2,808,993,288</b>	2,625,793,200
Short term investments		–	13,568,593
Bills receivable		<b>613,910,339</b>	1,986,453,537
Trade receivables	5	<b>539,362,472</b>	217,203,609
Other receivables	6	<b>50,088,671</b>	22,408,276
Prepayments		<b>733,451,150</b>	379,072,433
Inventories		<b>6,075,927,157</b>	4,915,277,790
Total current assets		<b>10,821,733,077</b>	10,159,777,438
<b>LONG TERM INVESTMENTS:</b>			
Long term equity investments	9	<b>1,749,314,443</b>	1,173,559,564
Long term debt investment	9	<b>8,258,870</b>	10,918,870
Total long term investments		<b>1,757,573,313</b>	1,184,478,434
<b>FIXED ASSETS:</b>			
Cost		<b>29,295,636,670</b>	27,654,753,443
Less: Accumulated depreciation		<b>(11,397,639,594)</b>	(9,377,882,621)
Net book value		<b>17,897,997,076</b>	18,276,870,822
Less: Impairment provision		<b>(90,675,644)</b>	(117,056,844)
Fixed assets, net		<b>17,807,321,432</b>	18,159,813,978
Construction materials		<b>2,324,778,635</b>	3,013,302,877
Construction in progress		<b>18,781,877,150</b>	4,671,938,945
Total fixed assets		<b>38,913,977,217</b>	25,845,055,800
<b>INTANGIBLE AND OTHER ASSETS:</b>			
Intangible assets		<b>1,235,231,574</b>	822,280,314
<b>TOTAL ASSETS</b>		<b>52,728,515,181</b>	38,011,591,986

The accompanying notes form an integral part of the financial statements

(Prepared under PRC Accounting Standards)

31 December 2006

		<b>31 December 2006 RMB</b>	31 December 2005 RMB
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>	Note V		
<b>CURRENT LIABILITIES:</b>			
Short term loans		<b>200,000,000</b>	80,702,000
Bills payable		<b>365,380,982</b>	335,567,000
Short term commercial papers		–	2,000,000,000
Accounts payable		<b>4,628,322,903</b>	3,235,473,002
Deposits received		<b>3,667,107,146</b>	3,115,902,605
Salary payable		<b>132,205,414</b>	97,561,911
Staff welfare payable		<b>55,925,051</b>	83,999,949
Dividends payable		<b>407,802,582</b>	8,643,954
Taxes payable		<b>209,428,753</b>	488,345,802
Other taxes payable		<b>44,030,473</b>	19,412,734
Other payables		<b>606,814,649</b>	503,254,653
Accrued charges		<b>85,805,610</b>	92,760,693
Long term loans due within a year		<b>381,328,044</b>	77,800,936
Total current liabilities		<b>10,784,151,607</b>	10,139,425,239
<b>LONG TERM LIABILITIES:</b>			
Long term loans		<b>15,697,870,000</b>	8,528,227,671
Bonds payable		<b>5,513,050,950</b>	–
Specific payables		<b>116,566,523</b>	3,200,000
Other long term liabilities		<b>496,543,959</b>	503,984,331
Total long term liabilities		<b>21,824,031,432</b>	9,035,412,002
Total liabilities		<b>32,608,183,039</b>	19,174,837,241
<b>SHAREHOLDERS' EQUITY:</b>			
Share capital	30	<b>6,455,300,000</b>	6,455,300,000
Capital reserve	31	<b>5,453,545,095</b>	5,450,345,095
Surplus reserves	32	<b>2,564,661,890</b>	2,333,339,350
including: statutory public welfare fund	32	–	1,166,669,675
Retained profits		<b>5,646,825,157</b>	4,597,770,300
including: cash dividend proposed by directors	42	<b>839,189,000</b>	1,032,848,000
Total shareholders' equity		<b>20,120,332,142</b>	18,836,754,745
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>52,728,515,181</b>	38,011,591,986

The accompanying notes form an integral part of the financial statements

Company Representative:

**Gu Jianguo**

17 April 2007

Chief Accountant:

**Su Jianguang**

17 April 2007

Head of Accounting Department:

**Guan Yagang**

17 April 2007