

Report of the Supervisory Committee

監事會報告書

Dear Shareholders,

In 2006, the members of the Supervisory Committee, basing themselves on the powers bestowed upon them by the Company Law and the Company's articles of association and their sense of responsibility toward all the shareholders, actively carried out their tasks, faithfully performed their supervisory duties and protected the legitimate rights and interests of the Company and of all the shareholders.

The Supervisory Committee held a meeting on 10 April 2006, during which it adopted the Supervisory Committee's 2005 Work Report, and resolved that it would be put forward to the 2005 Annual General Meeting of the Company for consideration; the Supervisory Committee was of the view that the financial report of the Company for the year 2005 truly reflected the financial position and operating results of the Company, and resolved that it would be put forward to the 2005 Annual General Meeting of the Company for consideration; and agreed with the resolution of non-distribution of profits passed by the Board of Directors. The Supervisory Committee held a meeting on 28 August 2006, during which it confirmed that the interim report of the Company for the year 2006 truly reflected the financial position and operating results of the Company and that it was objective and fair. The Supervisory Committee held a meeting on 26 October 2006, during which it reviewed the full text and summary of the Company's report for the third quarter of 2006.

The Supervisory Committee has carefully reviewed financial information such as the financial report and the profit distribution scheme to be submitted to the 2006 Annual General Meeting for deliberation, and found no problems with these submissions. After examination, the Supervisory Committee did not discover any acts of insider trading in the Company's purchase or sale of assets, or any actions of the directors, presidents or other senior executives in carrying out their duties that in any way violated laws, regulations, or the articles of association of the Company or were prejudicial to the interests of the Company.

各位股東：

二零零六年度，本監事會依照《公司法》和《公司章程》賦予的權利，本著對全體股東負責的態度，積極開展各項工作，忠實履行監督職責，維護公司及全體股東的合法權益。

本監事會於二零零六年四月十日召開會議，審議通過《監事會二零零五年度工作報告》，並決定將其提交公司二零零五年度股東大會審議；監事會認為公司二零零五年度財務報告真實地反映了公司的財務狀況和經營成果，是客觀公允的，同意將二零零五年度財務報告提交公司二零零五年度股東大會審議；同意董事會審議通過的二零零五年度不分配利潤的議案。監事會於二零零六年八月二十八日召開會議，認定公司二零零六年度中期財務報告真實地反映了公司的財務狀況和經營成果，是客觀公允的；於二零零六年十月二十六日召開會議，審核了公司二零零六年第三季度報告的正文及摘要，並發表審核意見。

本監事會全面審核了擬提交二零零六年度股東大會審議的財務報告、利潤分配方案等財務資料，未發現有任何問題；監事會經審核未發現公司在收購、出售資產過程中有從事內幕交易的行為；監事會亦未發現公司董事、經理及其他高級管理人員在執行公司職務時有任何違反法律、法規、《公司章程》或損害公司利益的行為。

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In the new year, the Supervisory Committee will, as in the past, conscientiously exercise and perform the powers bestowed upon it by the Company's articles of association, further strengthen its supervision of the Company's financial affairs and ensure compliant business practices. While stressing efficiency, it will continue to explore monitoring and control mechanisms which are of benefit in protecting and promoting the Company's development.

The Supervisory Committee is extremely grateful for the continuous strong support for its work offered by all the shareholders, directors, staff and workers.

On behalf of
the Supervisory Committee

Li Wenxin
Chairman of the Supervisory Committee

Shanghai, China
19 April 2007

新的一年，本監事會將一如既往，認真行使和履行《公司章程》賦予的各項權利，進一步加強財務監督，規範經營行為，在注重實效的基礎上繼續探索有利於保護、促進公司發展的監督制約機制。

本監事會的工作一直得到各位股東、董事及全體員工的大力支持，謹此表示衷心感謝。

承監事會命

李文新
監事會主席

中國上海
二零零七年四月十九日