



本公司董事長，首席執行官朱武安先生 Mr. Zhu Wuan, the Chairman & Chief Executive Officer of the Company.

本公司2003年在董事會的科學正確領導下，公司上下齊心協力，深化公司內部機制改革和資源整合，實現了公司經濟效益的穩步增長。

一、業績

本公司作為中國最大的印刷機械製造商生產多種印刷機械產品，報告期內，本公司按中國會計準則編製的主營業務收入為人民幣100,561萬元，比上年增長8.49%，實現淨利潤為人民幣8,205萬元，比上年增長19.01%；每股盈利人民幣0.19元。按香港會計準則編製的營業額為人民幣101,538萬元，比上年增長8.17%，淨利潤人民幣9,615萬元，比上年增長32.08%，每股盈利人民幣0.228元。

In 2003, under the scientific and correct leadership of the Company's Board of Directors, all members of the Company worked together diligently and cohesively to deepen the Company's reform on internal organisations and integration of resources. As a result, the Company achieved a stable growth in economic effectiveness.

I. Operating results

The Company is the largest manufacturer of printing presses in the PRC engaging in the production of multi-colour printing machinery. With the concerted efforts of the staff, the removal was accomplished in 2003. Steady economic efficiency was achieved by making further efforts in revamping the internal system and rationalization of resources. For the reporting period, The principal operating income of the Company calculated according to PRC accounting standards amounted to Rmb1,005.61 million, representing an increase of 8.49% over the previous year. Net profit of Rmb82.05 million was recorded, representing a grow of 19.01% over last year; earnings per share were Rmb0.19. According to HK GAAP, turnover amounted to Rmb1,015.38 million, representing an increase of 8.17%, net profit amounted to Rmb96.15 million, representing an increase of 32.08% over the previous year, and earnings per share were Rmb0.228.

董事長工作報告

CHAIRMAN'S REPORT

二、2003年回顧

1、二期搬遷工作圓滿完成

公司二期搬遷工作，經過艱苦奮戰，克服「非典」疫情的影響，把「生產不停、市場不丟、資金不超、人員不散」十六字方針，貫徹到搬遷工作的始終，經過全體員工的努力，現已順利地搬遷到新址。

2、調整組織機構，提升管理水平

為理順公司管理體制，推行現代化公司制管理，公司重新將機構進行了調整，明確劃分了公司與分公司的管理職能。這樣分工使公司能著眼於宏觀管理，把主要精力集中放在戰略發展上，同時分公司可以進一步加強管理，把各項工作引向深入。

3、研究政策，謹慎操作平穩完成減員工作

公司搬遷後，面對巨大的經營壓力，從長遠健康發展的角度考慮，公司進行了富餘人員分流安置工作，工作既講政策，又注意嚴謹、細緻，最大限度地保障員工的利益，平穩的完成了此項工作。

4、適應市場，加速產品開發

公司為參加國際印刷機展覽會，全新設計了水平高、難度大的Beiren200四開四色平版印刷機。根據市場的要求，還對N376、N406、N141等幾種產品進行了改進。本公司的捲筒紙分公司還與美國GI公司合作，生產的產品已銷往美國等國際市場。

5、加強市場策劃，打開營銷工作新局面

II. Review of 2003

1. Satisfactory completion of the phase two removal of the Company

In respect of the phase two removal of the Company, the Company carried out a lot of hard works, overcame the impact arising from the incident of SARS and strived to achieve the target of “no interruption of production, no loss of market, no excess of capital expenditure over original budget and no loss of morale” throughout the whole process of removal. After the efforts of all staff members, the removal to new factory was smoothly completed.

2. Establishment of appropriate organisation structure and improvement of management quality

To refine the corporate management system and implement modernised corporate management practices, the Company carried out new adjustment on the organisation structure, properly set out the management functions of the Company and subsidiary companies. Such arrangement facilitated the Company to focus on management of the organisation as a whole and concentrate its efforts on strategic development. At the same time, the subsidiary companies could further strengthen the management and carried out various work more thoroughly.

3. Stable completion of the works in reducing the number of redundant staff by study of policies and careful implementation

After the removal, the Company experienced a significant pressure on its operation. Based on the consideration for the long term and healthy development, the Company carried out the works of reallocation and job reassignment for surplus and redundant staff. Such works required the compliance with appropriate policy and had to be sincere, cautious and considerate in all aspects. As a result, the Company was able to safeguard the interests of staff members to the greatest extent and achieved a stable completion of such works.

4. Coped with the market and expedited the product development

To prepare for the participation in the international printing machine exhibition, the Company carried out a new design of Beiren200 four colour printing machine with high quality and advanced technology. Based on the market demand, the Company carried out improvement on various products such as N376 and N141. The Company's subsidiary of rolled sheet printing machine entered into cooperation with GI Company of the U.S.A. The products manufactured by the subsidiary have been sold to international markets such as the U.S.A.

5. Strengthened market planning and explored into new areas for the works of sales and operation

區域公司經過近幾年的建設、調整、管理，營銷公司窗口作用正在日益加強，特別是在「非典」疫情期間，發揮了重要作用，銷售收入達到了歷史最好水平。

營銷公司加強對市場需求信息的收集、整理、分析，將北人產品按照產品種類和區域進行了統計分析，建立了「企業競爭情報系統」數據庫，使公司對市場、對同行有了更清晰客觀的認識。

6、進一步加強對子公司的管理工作

本公司嚴格按照《子公司管理制度》對子公司加強管理，同時保證公司信息披露的一致性，與子公司及分支機構簽定了《承諾協議》，公司不僅對子公司嚴格管理，同時也為子公司的發展創造了條件。

7、報告期內本公司入選了中國機械工業企業管理協會公佈的中國機械工業500強企業；被中國工業聯合會、中國企業家協會授予了中國優秀企業稱號。

After the establishment, adjustment and management of regional companies in recent years, the function of operations and sales companies as the outlet were gradually strengthened. These companies achieved its important function during the incident of SARS and the sales income reached the highest historical level.

The operations and sales companies strengthened the collection, compilation and analysis of the information about market demand. These companies carried out a statistical analysis of Beiren products by product types and regions and established a data base for "corporate competition intelligence system" so that the Company could have more clear and objective understanding of the market and competitors.

6. Further strengthened the Company's management works

The Company strictly complied with the "System on Management of Subsidiary Companies" to strengthen the management of subsidiary companies. At the same time, the Company entered into "Undertaking Agreement" with subsidiary companies and branches to ensure the consistent disclosure of the Company's information. The Company did not only strengthen the management of subsidiary companies, but also created the conditions for the development of subsidiary companies.

7. During the reporting period, the Company was awarded the designation of the "Five Hundred Strongest Enterprises within the China Machinery Industry" by the China Machinery Industry Enterprises Management Association and the China Enterprise with Competitive Advantage by the China Industry Joint Association and the China Entrepreneur Association.

三、公司2004年展望

1、進一步完善營銷系統的基本建設，努力實現銷售資源共享，不斷提高銷售人員、服務人員的業務素質能力，引進CRM客戶關係管理系統，使客戶管理、銷售管理、市場信息管理水平大幅提高。

2、公司將進一步加強科研開發力度，為進入國際市場打好堅實基礎；同時以市場需求為重點，更好地適應市場要求，加強新產品開發和管理，以信息帶動企業技術進步和產品開發；為確保產品的研製與改進，2004年公司技術改造預計投入人民幣3,007萬元。

III. Prospect for 2004

1. The Company will further enhance the basic establishment of operation and sales system, strive to achieve mutual sharing of resources for sales, continue to improve the quality and capability of sales and service personnel and introduce CRM customer relations management system so that the Company can significantly improve the quality of customer management, sales management and market information management.

2. The Company will put more efforts to strengthen the research and development and establish a strong foundation for entering into international market. At the same time, the Company will focus on market demand, better fit in with market requirements, strengthen new product development and management, and use information to improve the Company's technology and product development. To ensure the research and improvement of products, it is expected that an amount of Rmb 30.07 million will be spent on the renovation of the Company's products in 2004.

董事長工作報告

CHAIRMAN'S REPORT

- 3、公司在管理上要不斷創新思路，進一步鞏固基礎管理，強調管理的制度化、規範化和程序化。堅決推行本公司的「執行文化」，堅持用制度管理人，按程序辦事，不斷提高企業的綜合管理水平。挑選有道德、有健康的心理、有健全的人格、智力發達、德智兼備的高素质人才，充分發揮管理骨幹、科研開發骨幹、高級技工骨幹等各類人員的積極性。
- 4、通過採用先進、高效、選用的製造裝備和測量儀器，實現關鍵零部件的精度加工和精密測量，保證零部件的製造質量。同時運用現代質量控制方法和管理模式，提高企業的生產管理水平和質量控制水平，從而不斷地提高產品質量和性能，以高質量的產品佔領市場競爭的制高點，貫徹以市場和用戶為中心的經營理念，實現系統資源的敏捷性。
- 5、進一步加強對子公司的管理工作，堅持對子公司的巡檢制度，加快子公司的自身發展。
- 6、建立標準成本管理體系，提高公司成本管理水平，同時公司2004年把提高流動資金周轉率作為一項重要工作，加快資金周轉，提高經濟運營質量。
- 7、2004年公司嚴格按照北京轄區上市公司簽署承諾書的要求，進一步完善法人治理機構，依法規範運作進一步建立與發展投資者關係工作，維護公司整體利益和全體股東利益，致力於公司持續健康發展。

承董事會命
朱武安
董事長

2004年3月30日

3. The Company will continue to create new direction on management, further strengthen basic management, and place emphasis on institutionalisation, standardisation and procedures. The Company will insist on implementing the "Implementation Culture" of the Company; insist on using system to manage people and complying with procedures in carrying out works; and continue to enhance the integrated corporate management quality. The Company will select those high-quality talents who have moral and healthy motivation and have a good balance between moral standard and technical knowledge. The Company will fully elaborate the motivation of key personnel in management, research and development and senior engineers.
4. By using advanced, highly effective and suitable manufacture machinery and testing equipment, the Company will achieve the refined processing and precise testing of key spare parts; and assure the quality in manufacture of spare parts. At the same time, the Company will adopt modern quality control method and management model to enhance the Company's production management level and quality control level so that the Company can continue to improve product quality and functions and to stand at an advantageous position in market competition by high quality products. The Company will implement thoroughly the operation concept with focus on market and users and achieve the fast response of system resources.
5. The Company will further strengthen the management works over subsidiary companies, insist on the system of inspection for subsidiary companies, and speed up the self-development of subsidiary companies.
6. The Company will establish standard cost management system and enhance the Company's level of cost management. At the same time, the Company will adopt the work of increasing the turnover rate of working capital as an important work in 2004 to speed up the turnover of capital and enhance the quality of economic operation.
7. In 2004, the Company will strictly comply with the requirements of the undertakings signed by listed companies in Beijing District, further refine the structure of corporate governance for legal persons, comply with regulations in the operation, further establish and develop the relations with investors, safeguard the interests of the Company and all shareholders as a whole, and strive to achieve a continuous and healthy development of the Company.

By order of the Board
Zhu Wuan
Chairman

30 March 2004