

2005 Interim Report

II. BASIC CORPORATE INFORMATION

(I) Basic corporate information

1. Chinese name of the Company	: 北人印刷機械股份有限公司
English name of the Company	: Beiren Printing Machinery Holdings Limited
English abbreviation	: BR
2. Place of listing of Company's A Shares	: Shanghai Stock Exchange
A Share short name	: 北人股份
A Share securities code	: 600860
Place of listing of Company's H Shares	: The Stock Exchange of Hong Kong Limited
H Shares short name	: Beiren Printing
H Shares stock code	: 187
3. Registered address	: No. 6 Rong Chang Dong Street, Economic and Technological Development Zone, Beijing, the PRC
Office address	: No. 6 Rong Chang Dong Street, Economic and Technological Development Zone, Beijing, the PRC
Postal code	: 100176
Internet website	: http://www.beirengf.com.cn
Email address	: beirengf@beirengf.com
4. Legal representative	: Mr. Zhu Wuan
5. Secretary to the Board of Directors	: Madam Rong Peimin
Telephone number	: 86-010-67802565
Facsimile number	: 86-010-67802570
Email address	: beirengf@beirengf.com
Correspondence address	: No. 6 Rong Chang Dong Street, Beijing Economic and Technological Development Zone, Beijing, the PRC
6. Newspapers designated for dissemination of the Company's information	: Shanghai Securities News Hong Kong Economic Times The Standard
Internet website specified by China Securities Regulatory Commission	: http://www.sse.com.cn
Place for Inspecting the Company's Interim Report	: Board Secretary's Office, Beiren Printing Machinery Holdings Limited No. 6 Rong Chang Dong Street, Beijing Economic and Technological Development Zone, Beijing, the PRC
Place for Inspecting the Company's Interim Report in Hong Kong	: Woo, Kwan, Lee & Lo 27/F., Jardine House, Central, Hong Kong
7. Other related information	
Date of first business registration of the Company	: 13 July 1993
Dates of changes in business registration	: 20 January 2003 24 December 2003
Place of registration	: Beijing, the PRC
Business licence number	: 1100001501595
Tax registration number	: Jing Guo Shui Zi 110105101717457
Auditors	: Deloitte Touche Tohmatsu CPA Ltd.
Address of auditors	: 8/F Office Tower W2 The Towers, Oriental Plaza 1 East Chang An Avenue Beijing 100738, PRC
Auditors	: Deloitte Touche Tohmatsu, Certified Public Accountants, Hong Kong
Address of auditors	: 26/F, Wing On Centre, 111 Connaught Road Central, Hong Kong
Legal adviser	: China Kang Da Law Office
Address of legal adviser	: No. 19, Jianguomenwai Dajie, Chaoyang District, Beijing, China
Legal adviser	: Woo, Kwan, Lee & Lo
Address of legal adviser	: 27/F, Jardine House, Central, Hong Kong

(II) Major financial data and indices (prepared under the PRC accounting standards)

1. Major accounting data and financial indices

Unit: RMB

	As at 30 June 2005	As at 31 December 2004	Increase (+)/ decrease (-) (%)
Current assets	1,233,521,161.29	1,149,906,342.49	7.27
Current liabilities	784,696,823.21	701,370,254.87	11.88
Total assets	2,104,421,801.65	2,019,421,955.06	4.21
Shareholders' equity (after minority interests)	1,267,296,110.11	1,265,422,331.87	0.15
Net assets per share	3.00	3.00	0.00
Adjusted net assets per share	2.97	2.96	0.34
	For the reporting period (Jan-Jun)	For the same period last year	Increase (+)/ decrease (-) (%)
Net profit	35,636,206.18	58,999,744.90	-39.60
Net profit after extraordinary items	35,022,189.02	61,083,515.18	-42.67
Earnings per share	0.084	0.140	-40.00
Return on net assets (%)	2.81	4.80	Decreased by 1.99 percentage points
Net cash flows from operating activities	-48,248,725.31	39,292,306.88	-222.79

2. Extraordinary items and amount

Unit: RMB

Extraordinary items	Amount
Gain/loss from disposal of fixed assets	628,454.26
Non-operating revenue and expenditure after provision for impairment in value of assets	93,918.87
Income tax	-108,355.97
Total	614,017.16

3. Return on net assets and earnings per share calculated under the requirement of No.9 of "Regulation related to Reporting of Corporate Information Disclosure for Public Issue of Securities" issued by CSRC

Unit: RMB

Profit for the period	Return on net assets (%)		Earnings per share	
	Fully diluted	Weighted average	Fully diluted	Weighted average
Profit from principal operations	10.51	10.38	0.32	0.32
Operating profit	3.22	3.18	0.10	0.10
Net profit	2.81	2.78	0.08	0.08
Net profit after extraordinary items	2.76	2.73	0.08	0.08

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4. Differences between domestic and international accounting standard

Unit: RMB'000

	Net profit		Shareholders' equity	
	For the six month ended 30 June 2005	For the six month ended 30 June 2004	As at 30 June 2005	As at 31 December 2005
Prepared under PRC GAAP	35,636	59,000	1,267,296	1,265,422
Adjusted under HK GAAP				
Difference in valuation of net assets contributed by Beiren Group Corporation	—	—	(60,198)	(60,198)
Consequential adjustment on net assets contributed by Beiren Group Corporation	156	73	48,301	48,145
Difference in valuation of capital contribution to subsidiaries	16	16	(305)	(321)
Difference in impairment loss of other assets and consequential adjustments	—	—	(6,374)	(6,374)
Difference in recognition of deferred tax	2,475	1,029	22,221	19,746
Difference in recognition of goodwill arising from acquisition — subsidiaries	—	—	4,479	4,479
Difference in amortisation of goodwill arising from acquisition — subsidiaries	—	(224)	(1,344)	(1,344)
Difference in minority interests stated as equity	488	1,532	46,186	45,698
Others	115	1,602	(1,463)	(1,580)
Prepared under HK GAAP	38,886	63,028	1,318,799	1,313,673

Explanation on the differences:

During the year, the impact of the differences between domestic and international accounting standards on net profit was RMB3,250,000. The difference was mainly due to the following:

1. Consequential adjustment on net assets contributed by Beiren Group Corporation

In accordance with Hong Kong Statements of Standard Accounting Practices ("SSAPs"), the land contributed by Beiren Group Corporation into the Company was accounted for as an increase in capital reserve. In accordance with PRC accounting standards, the amount was recorded as the increase in long term deferred expenses. Accordingly, the related amortisation charge of RMB156,000 for the year was reversed under HK GAAP.

2. Difference in valuation of capital contribution to subsidiaries

In accordance with SSAPs, the intangible assets invested by the Company into the subsidiaries at cost of RMB4,624,000 were written off in relevant years. In accordance with PRC accounting standards, the intangible assets were stated as assets of the Group. Accordingly, the related amount of amortisation of RMB16,000 for the year was reversed under HK GAAP.

3. Difference in recognition of deferred tax

In accordance with SSAP 12 (revised), deferred tax adjustment shall be made to the impacts of income tax arising from differences between domestic and international accounting principles. This led to the difference of RMB2,475,000 in net profit.

4. Difference in minority interests stated as equity

In accordance with the SSAP 34 (revised), the impacts of minority interests on the profit for the reporting period shall be stated separately from income statement. This led to the difference of RMB488,000 in net profit.