

# BALANCE SHEETS

As at December 31, 2006

Unit: RMB

Assets	Note	Consolidated		Note	Parent company	
		December 31, 2006	December 31, 2005		December 31, 2006	December 31, 2005
<b>Current Assets:</b>						
Cash and bank balances	1	4,338,007,057.97	644,429,949.78		4,252,200,864.96	575,878,068.09
Short-term investment	2	295,363,680.00	—		295,363,680.00	—
Notes receivable		500,000.00	500,000.00		—	—
Dividends receivable		16,751.21	16,751.21		16,751.21	2,276,213.77
Interests receivable		—	—		—	—
Accounts receivable	3	179,485,584.05	220,461,108.24	34	112,940,604.51	206,026,974.68
Other receivable	3	15,233,757.52	56,050,428.55	34	12,385,006.97	57,870,319.15
Advances to suppliers	3	250,682,344.83	169,130,166.31		268,474,706.68	164,412,742.67
Subsidy receivable	3	28,412,256.75	34,472,851.84		21,272,036.24	28,911,485.71
Inventories	4	1,150,330,640.32	318,527,875.85		1,058,652,784.31	269,718,739.92
Deferred expenses	5	786,346.66	386,634.98		—	340,480.00
Long-term investment						
in bonds within						
one year		—	—		—	—
Other current assets		—	—		—	—
<b>Total current assets</b>		<b>6,258,818,419.31</b>	<b>1,443,975,766.76</b>		<b>6,021,306,434.88</b>	<b>1,305,435,023.99</b>
<b>Long-term investment</b>						
On equity	6	72,821,426.18	15,735,350.82	35	168,054,866.53	113,484,352.44
On bonds		—	—		—	—
<b>Total long-term investments</b>		<b>72,821,426.18</b>	<b>15,735,350.82</b>		<b>168,054,866.53</b>	<b>113,484,352.44</b>
<b>Fixed Assets</b>						
Fixed assets-cost	7	1,758,100,887.62	1,622,716,754.19		1,646,145,892.42	1,513,740,123.85
Less: accumulated						
depreciation	7	713,430,890.53	674,547,479.02		636,320,563.22	597,282,962.88
Fixed assets-net book value		1,044,669,997.09	948,169,275.17		1,009,825,329.20	916,457,160.97
Less: the provision for						
impairment of fixed assets		—	—		—	—
Net fixed assets		1,044,669,997.09	948,169,275.17		1,009,825,329.20	916,457,160.97
Construction materials		—	—		—	—
Construction-in-progress	8	32,935,552.77	56,425,445.50		32,935,552.77	54,017,660.86
Disposals of fixed assets		—	—		—	—
<b>Total fixed assets</b>		<b>1,077,605,549.86</b>	<b>1,004,594,720.67</b>		<b>1,042,760,881.97</b>	<b>970,474,821.83</b>
<b>Intangible and other assets</b>						
Intangible assets	9	71,788,251.65	76,718,836.65		71,788,251.65	76,718,836.65
Long-term deferred expenses	10	—	3,579,662.23		—	8,291.38
Other long-term assets		—	—		—	—
<b>Total intangible and</b>						
<b>    other assets</b>		<b>71,788,251.65</b>	<b>80,298,498.88</b>		<b>71,788,251.65</b>	<b>76,727,128.03</b>
<b>Deferred taxation</b>						
Deferred tax-assets		—	—		—	—
<b>Total assets</b>		<b>7,481,033,647.00</b>	<b>2,544,604,337.13</b>		<b>7,303,910,435.03</b>	<b>2,466,121,326.29</b>

# BALANCE SHEETS

As at December 31, 2006

Liabilities and shareholders' equity	Note	Consolidated		Note	Parent company	
		December 31, 2006	December 31, 2005		December 31, 2006	December 31, 2005
<b>Current liabilities</b>						
Short-term loans	11	63,785,655.00	60,354,500.00		–	60,354,500.00
Notes payable		–	–		–	–
Accounts Payable	12	381,872,062.34	372,909,627.91		365,658,651.11	365,548,370.21
Receipts in advance	12	27,414,783.01	19,546,550.24		18,993,779.80	9,925,224.33
Salary payable		–	–		–	–
Staff welfare payable		11,216,291.65	8,983,338.83		7,164,073.17	6,819,385.30
Dividends payable	13	9,436.88	2,184,037.88		9,436.88	13,181.88
Taxes payable	14	-10,494,942.23	-12,436,368.72		-18,035,651.08	-14,031,351.58
Other unpaid items		1,700,857.71	1,314,178.29		1,349,802.15	1,195,218.98
Other payables	12	51,594,290.47	27,406,848.21		40,024,676.71	21,927,164.09
Accrued expenses	15	45,088,467.36	76,010,067.08		44,759,744.15	75,510,845.99
Provisions for foreseeable liabilities	16	1,384,268.58	–		–	–
Long-term liabilities within one year	11	573,002,406.00	200,150,000.00		573,002,406.00	200,150,000.00
Other current liabilities	17	4,056,165,513.24	900,256,830.83		4,056,232,658.87	902,124,432.83
<b>Total Current liabilities</b>		<b>5,202,739,090.01</b>	<b>1,656,679,610.55</b>		<b>5,089,159,577.76</b>	<b>1,629,536,972.03</b>
<b>Long-term liabilities</b>						
Long-term loans	18	1,082,590,123.87	–		1,082,590,123.87	–
Bonds payables		–	–		–	–
Long-term payable		–	–		–	–
Special project payable	19	34,386,068.60	29,748,854.17		34,386,068.60	29,748,854.17
Other long-term liabilities		–	–		–	–
<b>Total long-term liabilities</b>		<b>1,116,976,192.47</b>	<b>29,748,854.17</b>		<b>1,116,976,192.47</b>	<b>29,748,854.17</b>
<b>Deferred taxation</b>						
Deferred tax – liabilities		–	–		–	–
<b>Total liabilities</b>		<b>6,319,715,282.48</b>	<b>1,686,428,464.72</b>		<b>6,206,135,770.23</b>	<b>1,659,285,826.20</b>
<b>Minority interests</b>		<b>61,404,848.23</b>	<b>49,719,923.79</b>		<b>–</b>	<b>–</b>
<b>Shareholders' equity</b>						
Share capital	20	494,677,580.00	494,677,580.00		494,677,580.00	494,677,580.00
Less: returned investment		–	–		–	–
Net share capital		494,677,580.00	494,677,580.00		494,677,580.00	494,677,580.00
Capital reserve	21	651,977,481.72	651,977,481.72		651,977,481.72	651,977,481.72
Surplus reserves	22	100,147,511.34	100,147,511.34		99,527,585.23	99,527,585.23
Including: public welfare fund		–	30,526,605.41		–	30,526,605.41
Retained earnings	23	-146,889,056.77	-438,346,624.44		-148,407,982.15	-439,347,146.86
Including: unpaid dividend		–	–		–	–
Converted difference		–	–		–	–
<b>Total shareholders' equity</b>		<b>1,099,913,516.29</b>	<b>808,455,948.62</b>		<b>1,097,774,664.80</b>	<b>806,835,500.09</b>
<b>Total liabilities and shareholders' equity</b>		<b>7,481,033,647.00</b>	<b>2,544,604,337.13</b>		<b>7,303,910,435.03</b>	<b>2,466,121,326.29</b>