

Chapter XIII Supplementary Information

For the year ended 31st December 2006

(Prepared in accordance with the PRC Accounting Standards and Systems)
(All amounts are stated in Rmb'000 Yuan unless otherwise stated)

- (1) The difference in the accounts for the year ended 31st December 2006 prepared in accordance with PRC GAAP and HKFRS refer to Chapter II, Section 1.2 in this report
- (2) Fully diluted and weighted average return on equity (%) and earnings per share

Item	Profit for reporting period	Return on equity (%)		Earnings per share (RMB)	
		Fully diluted	Weighted average	Fully diluted	Weighted average
Profit from principal activities	784,797	27.83	28.70	1.30	1.30
Operating profit	200,922	7.13	7.35	0.33	0.33
Net profit	183,631	6.51	6.71	0.30	0.30
Net profit after extraordinary items	120,792	4.28	4.42	0.20	0.20

The above financial data are calculated as follows:

Calculating formulae of fully diluted return on equity (%) and earnings per share are as follows:

Fully diluted return on equity (%) = Profit for reporting period year-end equity

Fully diluted earnings per share = Profit for reporting period year-end number of shares

The formulae of the calculation of return on equity (ROE) on a weighted average basis is:

$$ROE = \frac{P}{E0 + NP \div 2 + Ei \times Mi \div M0 - Ej \times Mj \div M0}$$

Of which: P is the profit of the reporting period; NP is the net profit of the reporting period; E0 is the net assets at the beginning of the reporting period; Ei is the increase in net assets arising from new issues of shares or conversions of loans into shares during the reporting period; Ej is the decrease in net assets arising from repurchases or cash distributions during the reporting period; M0 is the month of the reporting period; Mi is the number of remaining months immediately following the month of increase in net assets to the last month of the reporting period; Mj is the number of remaining months immediately following the month of decrease in net assets to the last month of the reporting period.

The formula for the calculation of earnings per share on a weighted average basis is:

$$EPS = \frac{P}{S0 + S1 + Si \times Mi \div M0 - Sj \times Mj \div M0}$$

Of which: P is the profit of the reporting period; S0 is the total number of shares at the beginning of the reporting period; S1 is the increase in the number of shares resulting from the increase in shareholdings by funds or stock dividends issue of shares; Si is the increase in the number of shares arising from new issues of shares or conversion of loans into shares during the reporting period; Sj is the decrease in the number of shares assets arising from repurchases or cash distributions during the reporting period; M0 is the month of the reporting period; Mi is the number of remaining months immediately following the month of increase in shares to the last month of the reporting period; Mj is the number of remaining months immediately following the month of decrease in shares to the last month of the reporting period.



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(3) Breakdown of assets provision as at 31st December 2006

Item	In RMB											
	31st December 2005		Newly acquired subsidiaries		Addition		Reversal due to recovery of assets value		Written off		31st December 2006	
	Group	Company	Group	Company	Group	Company	Group	Company	Group	Company	Group	Company
1. Bad debt provision, total	214,198,979	60,090,628	2,045,290	-	30,121,619	11,317,367	(31,921,547)	(1,001,831)	(4,178,784)	(2,009)	210,265,557	70,404,155
Including: Accounts receivable	195,886,299	58,942,446	1,944,545	-	28,208,675	11,317,367	(25,195,797)	(700,398)	(3,430,659)	(2,009)	197,413,063	69,557,406
Other receivables	18,312,680	1,148,182	100,745	-	1,912,944	-	(6,725,750)	(301,433)	(748,125)	-	12,852,494	846,749
2. Provision for short-term investment, total	-	-	-	-	-	-	-	-	-	-	-	-
Including: Trading securities	-	-	-	-	-	-	-	-	-	-	-	-
Debt investment	-	-	-	-	-	-	-	-	-	-	-	-
Fund investment	-	-	-	-	-	-	-	-	-	-	-	-
3. Provision for inventory, total	35,411,961	11,604,043	4,820,288	-	14,764,732	5,796,880	(10,608,090)	(1,731,102)	(108,880)	-	44,280,011	15,669,821
Including: Finished goods	19,569,686	9,872,941	2,619,945	-	4,388,582	1,296,880	(4,755,857)	-	(108,880)	-	21,713,476	11,169,821
Work in progress	4,375,541	-	2,200,343	-	9,024,545	4,500,000	(2,965,388)	-	-	-	12,635,041	4,500,000
Raw material	11,466,734	1,731,102	-	-	1,351,605	-	(2,886,845)	(1,731,102)	-	-	9,931,494	-
4. Provision for long-term investments, total	6,323,255	-	-	-	-	-	-	-	-	-	6,323,255	-
Including: Long-term equity investment	6,323,255	-	-	-	-	-	-	-	-	-	6,323,255	-
Long-term debt investment	-	-	-	-	-	-	-	-	-	-	-	-
5. Provision for fixed assets, total	43,419,662	31,733,693	-	-	-	-	(3,732,975)	-	(1,350,752)	(1,280,300)	38,335,935	30,453,393
Including: Buildings	1,494,350	-	-	-	-	-	(24,855)	-	-	-	1,469,495	-
Equipments	41,914,520	31,733,693	-	-	-	-	(3,708,120)	-	(1,350,752)	(1,280,300)	36,855,648	30,453,393
Conveyance	10,792	-	-	-	-	-	-	-	-	-	10,792	-
6. Provision for intangible assets	-	-	-	-	-	-	-	-	-	-	-	-
Including: Patent	-	-	-	-	-	-	-	-	-	-	-	-
Trademark	-	-	-	-	-	-	-	-	-	-	-	-
7. Provision for CIP	-	-	-	-	-	-	-	-	-	-	-	-
8. Provision for entrusted loans	-	-	-	-	-	-	-	-	-	-	-	-

Legal representative: Ye Maoxin

Person in charge of accounting function: Yao Yuming

Person in charge of accounting department: Mao Faqing

(4) Analysis of the financial statement items whose fluctuation is over 30% (including 30%) or accounts for 5% (including 5%) of total assets at balance sheet date of more than 10% (including 10%) of the current period's profit. Refer to Chapter VII, section 1.3 in this report. The analysis is not part of the financial statement