



## 2005 年半年度报告

# 上海海立(集团)股份有限公司 2005 年半年度报告

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## 一、 重要提示

- 1、 本公司董事会及董事保证本报告所载资料不存在虚假记载、误导性陈述或者重大遗漏，并对其内容的真实性、准确性和完整性承担个别及连带责任。
- 2、 公司全体董事出席董事会会议。
- 3、 公司半年度财务报告未经审计。
- 4、 公司负责人俞友涌先生，主管会计工作负责人秦文君女士，会计机构负责人刘惠诚先生声明：保证本半年度报告中财务报告的真实、完整。

## 二、 公司基本情况

### （一） 公司基本情况简介

- 1、 公司法定中文名称：上海海立（集团）股份有限公司  
公司英文名称：SHANGHAI HIGHLY (GROUP) CO., LTD.  
公司英文名称缩写：HIGHLY
- 2、 公司股票上市交易所：上海证券交易所  
公司 A 股简称：海立股份  
公司 A 股代码：600619  
公司 B 股简称：海立 B 股  
公司 B 股代码：900910
- 3、 公司注册地址：中国上海浦东金桥出口加工区 26 号地块  
公司办公地址：中国上海长阳路 2555 号  
邮政编码：200090  
公司国际互联网网址：[http:// www.highly.cc](http://www.highly.cc)  
公司电子信箱：[heartfelt@highly.cc](mailto:heartfelt@highly.cc)
- 4、 公司法定代表人：俞友涌
- 5、 公司董事会秘书：钟 磊  
电话：021-65660000  
传真：021-65670941  
电子信箱：[dongmi@highly.cc](mailto:dongmi@highly.cc)  
联系地址：中国上海长阳路 2555 号

## 6、公司信息披露报纸名称：《上海证券报》、香港《大公报》

登载公司半年度报告的中国证监会指定国际互联网网址：[http:// www.sse.com.cn](http://www.sse.com.cn)

公司半年度报告备置地点：公司办公地

## (二) 主要财务数据和指标

## 1、主要会计数据和财务指标

单位:元 币种:人民币

主要会计数据	本报告期末	上年度期末	本报告期末比 上年度期末增减(%)
流动资产	1,995,609,919.93	1,566,154,677.68	27.42
流动负债	1,909,845,615.72	1,745,472,792.78	9.42
总资产	3,927,902,099.33	3,550,834,371.87	10.62
股东权益(不含少数股东权益)	1,352,789,442.20	1,285,345,076.81	5.25
每股净资产	2.96	2.81	5.25
调整后的每股净资产	2.92	2.77	5.35
	报告期(1-6月)	上年同期	本报告期比 上年同期增减(%)
净利润	175,016,741.80	147,751,134.77	18.45
扣除非经常性损益后的净利润	174,655,132.40	146,288,004.35	19.39
每股收益	0.383	0.324	18.45
净资产收益率(%)	12.94	12.15	0.79 个百分点
经营活动产生的现金流量净额	477,742,057.20	203,641,489.22	134.60

## 2、扣除非经常性损益项目和金额

单位:元 币种:人民币

非经常性损益项目	金额
处置除公司产品外的其他资产产生的损益	-694,162.00
各种形式的政府补贴	117,776.00
支付或收取并计入当期损益的资金占用费	1,041,285.37
扣除资产减值准备后的其他各项营业外收入、支出	-700,704.82
以前年度已经计提各项减值准备的转回	582,917.99

所得税影响数	14,496.86
合 计	361,609.40

### 三、 股本变动及股东情况

#### (一) 股本变动情况

报告期内，公司的股份总数及股本结构未发生变化。

#### (二) 股东情况

1、报告期末公司股东总数为 36,966 户。

2、前十名股东持股情况

单位：股

股东名称	报告期内增减	报告期末 持股数量	比例 (%)	股份类别	质押或冻结 情况	股东性质
上海市国有资产监督管理委员会	-	144,000,000	31.53	未流通	无	国有股东
上海久事公司	-	20,355,847	4.46	未流通	无	法人股东
上海国际信托投资有限公司	-	8,030,880	1.76	未流通	无	法人股东
中国工商银行上海市第二支行	-	6,927,242	1.52	未流通	无	法人股东
上海新工联(集团)有限公司	-	4,842,864	1.06	未流通	无	法人股东
上海上立实业发展合作公司	-	3,962,160	0.87	未流通	无	法人股东
上海电气(集团)总公司	-	3,723,408	0.82	未流通	无	法人股东
上海敏特投资有限公司	-	3,480,649	0.76	未流通	无	法人股东
中国工商银行上海市浦东分行	-	2,433,600	0.53	未流通	无	法人股东
交通银行上海分行	-	2,433,600	0.53	未流通	无	法人股东

前十名股东中中国工商银行上海市第二支行与中国工商银行上海市浦东分行同为中国工商银行下属分支机构。上海久事公司持有上海国际信托投资公司 20% 股权。其余不存在关联关系或一致行动情况。

至报告期末，持有公司 5% 以上股份的股东为上海轻工控股(集团)公司，共持有 144,000,000 股国家股，占公司股份总数的 31.53%。报告期内其所持股份未有变动亦无质押或冻结情况。

## 3、前十名流通股股东持股情况

单位：股

股东名称	期末持有流通股的数量	种 类
GUOTAIJUNAN SECURITIES (HONGKONG) LIMITED	2,049,553	B 股
TOYO SECURITIES ASIA LTD. A/C CLIENT	1,930,667	B 股
王晓天	1,674,000	B 股
申银万国 - 花旗 - UBS LIMITED	1,538,318	A 股
MERRILL LYNCH FAR EAST LIMITED	1,281,986	B 股
费步青	1,172,752	B 股
NAITO SECURITIES CO., LTD.	1,047,045	B 股
DRAGON BILLION CHINA FUND	800,819	B 股
国泰君安 - 建行 - 香港上海汇丰银行有限公司	775,666	A 股
庄名道	769,964	B 股

前十名流通股股东之间未知其关联关系和一致行动人情况。

4、本报告期内公司控股股东及实际控制人没有发生变更。

## 四、 董事、监事和高级管理人员

## (一) 董事、监事和高级管理人员持股变动

单位：股

姓名	职务	期初持股数	期末持股数	股份增减数	变动原因
冯国栋	董事、副总经理	36,068	58,468	22,400	二级市场购入
李 黎	副总经理	21,000	42,400	21,400	
钟 磊	董事会秘书	22,680	40,580	17,900	

## (二) 新聘或解聘公司董事、监事、高级管理人员的情况

1、2005 年 6 月 30 日，公司 2004 年年度股东大会通过决议，选举俞友涌、沈建芳、顾功耘、徐飞、罗伟德、徐辉、张建伟、贾春荣、黄辉、吴福生、冯国栋及温浩等 12 人为董事，组成公司第四届董事会。

2、2005 年 6 月 30 日，公司 2004 年年度股东大会通过决议，选举张兆琪、陆 蓉、李亦军担任第四届监事会由股东代表出任的监事，与经公司职工代表大会选举的职工代表出任监事的吕康楚、李海滨组成第四届监事会。

3、2005 年 6 月 30 日，公司董事会四届一次会议作出决议，选举俞友涌先生为董事长、沈建芳先生为副董事长。

4、2005 年 6 月 30 日，公司监事会四届一次会议作出决议，选举张兆琪先生为监事长。

5、2005 年 6 月 30 日，公司董事会四届一次会议作出决议，聘任沈建芳先生为公司总经理；聘任冯国栋、李黎先生为公司副总经理、郑建东先生为总经理助理；聘任秦文君女士为公司财务总监、总会计师；聘任钟磊女士为董事会秘书。

## 五、 管理层讨论与分析

### （一）报告期内整体经营情况的讨论与分析

2005 年上半年空调器总量与去年同期相比基本持平，而空调压缩机行业因各厂家自 2003 年相继启动扩产，总量仍有 20% 以上的增长，虽旺季出现供不应求，但总体保持了供求平衡态势。本公司通过上海日立与森林电器整合，发挥了机种齐全的优势，销量增长和市场份额继续保持行业领先地位，最难能可贵的是“海立”品牌压缩机销售占总销量的 89%，比去年全年上升了 47 个百分点，既实实在在地推进了“海立”品牌战略的实施，又为企业创造了效益。

上半年公司实现主营业务收入 251,890 万元，与上年同期相比增长 15.97 %；净利润 17,502 万元，比上年同期相比大幅增长 18.45%。

### （二）报告期公司经营情况

#### 1、公司主营业务的范围及其经营情况

##### （1）公司主营业务经营情况的说明

公司主营业务的范围为生产销售空调压缩机、冰箱压缩机以及除湿机压缩机等。

上半年生产压缩机 597.63 万台，其中空调压缩机 577.44 万台，与上年同期相比增长 17.14%，销售压缩机 660.19 万台，其中空调压缩机 642.79 万台，与上年同期相比增长 13.70%

据中国家用电器协会统计，2005 年上半年本公司空调压缩机销售占全国市场份额的 22.43%，其中出口 71.20 万台，比去年公司同期出口增长 66.93%，销售和出口继续居全国行业之首。

##### （2）占报告期主营业务收入或主营业务利润 10% 以上的行业或产品

单位：元 币种：人民币

	主营业务收入	主营业务成本	毛利率 (%)	主营业务收入比上年同期增减 (%)	主营业务成本比上年同期增减 (%)	毛利率比上年同期增减 (%)
分行业						
制造业	2,518,898,664.93	2,056,163,548.63	18.37	15.97	19.57	-2.46
分产品						
压缩机	2,513,974,237.41	2,051,620,544.20	18.39	16.08	19.70	-2.47

其中:关联交易	2,516,709.12	2,122,295.15	15.67	/	/	/
关联交易的定价原则	本公司销售给关联企业的产品价格由市场价格规定。2005 年上半年度和 2004 年上半年度内本公司销售给关联企业产品价格无高于或低于本公司正常售价的情况。					

### (3) 主营业务分地区情况

单位：元 币种：人民币

分地区	主营业务收入	主营业务收入比上年增减(%)
国内	2,201,248,800.86	10.79
国外	317,649,864.07	71.61

(4) 报告期内公司向控股股东及其子公司销售产品和提供劳务的关联交易总额为 0 元。

### (5) 主要控股公司的经营情况及业绩

单位：万元

公司名称	业务性质	主要产品或服务	注册资本	资产规模	净利润
上海日立电器有限公司	制造业	空调压缩机	USD15,904	298,577	22,542
上海森林电器有限公司	制造业	空调压缩机、冰箱压缩机、除湿机压缩机	USD6,000	82,855	3,768
上海海立铸造有限公司	制造业	铸造和压缩机铸件机加工	RMB3,070	13,984	409

(6) 未有单个参股公司的投资收益对公司净利润影响达 10% 以上(含 10%)的情况。

## 2、经营中出现的问题与困难及解决方案

经营中的主要问题是大机种压缩机受到市场和竞争对手的严重挑战，行业内其他厂家同类机种产能大幅上升，使盈利能力较强的 TH 系列压缩机销量有较大下滑；同时 SG、SD、SL 系列压缩机由于能力限制，旺季供不应求；再加上材料价格的上涨，导致上半年毛利率有所下降。

面对市场情况发生的变化，公司积极应对。积极调整产品结构，拓展中小机种 SG、SD、SL 系列的市场，弥补了 TH 系列压缩机销量下降，使上半年压缩机总的销量仍达到 13.70% 的增长，保持市场份额第一的地位。

SG、SD、SL 系列压缩机产销的增长，给生产体系带来压力。通过推行六西格玛管理，对上海日立和森林电器业务流程再造，建立以市场需求为导向的生产组织体系，不断探索优化生产组织形式，挖掘生产资源，使平均日产同比增长 21.2%，尽最大能力满足市场需求。

通过降低费用、提高产品质量，减少废品损失、集中采购等降低成本的手段，使原材料涨价对利润的影响得到有效控制。



### （三）公司投资情况

- 1、报告期内，公司无募集资金或前期募集资金使用到本期的情况。
- 2、报告期内公司无非募集资金投资项目。

## 六、重要事项

### （一）公司治理的情况

按照上海证券交易所新颁布的《股票上市规则》及其他相关法律法规，公司认真履行信息披露义务并确保其准确、及时、公正。重视投资者关系管理，保持沟通渠道畅通，确保投资者公平获得公司信息。公司“三会”工作严格按照《公司章程》、《股东大会议事规则》、《董事会议事规则》、《监事会议事规则》规范运作，公司的法人治理结构基本符合规范的要求。

（二）2005 年 7 月 29 日公司实施完毕 2004 年度利润分配方案。

（三）2005 年中期不进行利润分配。

（四）报告期内公司没有发生及以前期间发生但持续到本报告期的重大诉讼、仲裁事项。

（五）报告期内公司收购及出售资产、吸收合并事项

- 1、报告期内公司无收购资产事项。
- 2、出售资产情况

2005 年 5 月，本公司向上海国有资产经营有限公司转让持有的长江经济发展（集团）有限公司法人股。该资产账面价值为 2,694,162.00 元人民币，以前年度已分得红利 82,000 元人民币，实际出售金额为 2,000,000.00 元人民币，本年度产生的损益-694,162.00 元人民币。本次出售价格的确定依据由双方协商确定，资产出售对公司业务连续性、管理层稳定性及对公司财务状况和经营成果无影响。转让协议签署后，受让方支付了全部转让金，双方交割完毕。

### 3、吸收合并情况

公司控股的两家子公司上海日立电器有限公司与上海森林电器有限公司 2005 年 3 月签署了吸收合并协议，目前该合并事项正由商务部审批中。

（六）报告期内公司重大关联交易事项

- 1、报告期内没有因购销商品、提供劳务而发生的重大关联交易事项。
- 2、报告期内没有因资产、股权转让而发生的重大关联交易事项。
- 3、报告期内公司与关联方存在的债权、债务往来事项如下：

单位:元 币种:人民币

关联方	关联关系	向关联方提供资金			关联方向上市公司提供资金	
		发生额	余额	收取的资金 占用费的金额	发生额	余额
上海海立特种制冷设备有限公司	控股子公司	376,625.99	0	0	0	0
上海海韵人造花有限公司	控股子公司	188,347.11	0	0	0	0
上海海立集团贸易有限公司	控股子公司	75,840.26	0	0	0	0
合计		640,813.26	0	/	0	0

报告期内上市公司向控股股东及其子公司提供资金的发生额 0 元人民币，上市公司向控股股东及其子公司提供资金的余额 0 元人民币。

关联债权债务形成原因：上海海立特种制冷设备有限公司为应收房租及代垫费用；上海海韵人造花有限公司为应收房租；上海海立集团贸易有限公司为代垫费用。

关联债权债务清偿情况：至 2005 年 6 月 30 日上述关联债权债务清偿完毕。

关联债权债务对公司经营成果及财务状况的影响：关联债权债务未对公司经营成果产生影响。

#### (七) 重大合同及履行情况

- 1、本报告期公司无托管事项。
- 2、本报告期公司无承包事项。
- 3、本报告期公司无租赁事项。
- 4、担保情况

单位:元 币种:人民币

公司对外担保情况（不包括对控股子公司的担保）						
担保对象	发生日期	担保金额	担保类型	担保期限	是否已经履行完毕	是否为关联方担保
上海森林电器有限公司	2004-08-04	289,829,500	连带责任担保	2004-08-04 ~ 2005-06-09	是	是
	2002-07-11	35,000,000		2002-07-11 ~ 2005-06-11	是	是
	2005-01-14	250,147,100		2005-01-14 ~ 2005-11-30	否	是
	2004-02-20	45,000,000		2004-02-20 ~ 2005-04-22	是	是
	2004-08-29	8,160,000		2004-08-29 ~ 2005-09-20	否	是
上海扎努西电气机械有限公司	2004-09-06	30,000,000	连带责任担保	2004-09-06 ~ 2005-05-16	是	是
	2004-03-24	32,500,000		2004-03-24 ~ 2005-06-18	是	是
	2004-07-27	21,500,000		2004-07-27 ~ 2005-12-29	否	是
	2003-06-30	10,000,000		2003-06-30 ~ 2005-06-30	是	是

	2003-06-30	15,000,000		2003-06-30 ~ 2005-12-31	否	是
	2005-03-14	32,000,000		2005-03-14 ~ 2006-06-29	否	是
	2005-04-22	35,000,000		2005-04-22 ~ 2005-12-27	否	是
上海海立铸造有限公司	2004-09-23	14,000,000		2004-09-23 ~ 2005-11-07	否	是
	2002-10-28	6,000,000		2002-10-28 ~ 2005-10-27	否	是
	2004-03-12	4,000,000		2004-03-12 ~ 2005-03-10	是	是
	2004-04-05	4,000,000		2004-04-05 ~ 2007-02-28	否	是
	2005-06-24	4,000,000		2005-06-24 ~ 2006-06-23	否	是
上海海立特种制冷设备有限公司	2004-11-22	4,000,000		2004-11-22 ~ 2005-12-05	否	是
	2005-03-17	4,000,000		2005-03-17 ~ 2005-09-10	否	是
	2005-06-01	2,000,000		2005-06-01 ~ 2006-03-09	否	是
上海海立集团贸易有限公司	2004-11-24	2,000,000		2004-11-24 ~ 2005-05-23	是	是
	2005-05-23	2,000,000		2005-05-23 ~ 2005-11-22	否	是
	2005-01-14	4,790,000		2005-01-14 ~ 2005-09-07	否	是
报告期内担保发生额合计			854,926,600			
报告期末担保余额合计			406,597,100			
公司对控股子公司的担保情况						
报告期内对控股子公司担保发生额合计			678,926,600			
报告期末对控股子公司担保余额合计			303,097,100			
公司担保总额情况（包括对控股子公司的担保）						
担保总额			406,597,100			
担保总额占公司净资产的比例%			30.06			
公司违规担保情况						
为控股股东及公司持股 50% 以下的其他关联方提供担保的金额			103,500,000			
直接或间接为资产负债率超过 70% 的被担保对象提供的债务担保金额			361,807,100			
违规担保总额			361,807,100			

按照有关协议，公司为上述控股或参股子公司的银行贷款提供担保。所贷款项均用于生产和经营。担保的决策及审批程序严格按照《公司章程》、《董事会议事规则》和《公司担保管理办法》执行。上述担保均未发生逾期现象，没有对公司经营活动造成影响。根据中国证监会证监发[2003]56 号文，公司对违规担保进行了逐步整改，今年上半年与去年年末相比，对外担保余额下降了 23.93%，对外担保额占净资产的比例已下降到 30.06%。这主要得益于上海日立电器有限公司与上海森林电器有限公司的成功整合，参股子公司上海

扎努西电气机械有限公司改善经营，减少银行借款。

5、本报告期公司无委托理财事项。

6、本报告期公司无其他重大合同。

(八) 报告期内，公司或持有公司股份 5%以上(含 5%)的股东没有发生或以前期间发生但持续到报告期的对公司经营成果、财务状况可能产生重要影响的承诺事项。

(九) 报告期内公司、董事会、董事均未受中国证监会的稽查、行政处罚、通报批评及证券交易所的公开谴责。

(十) 报告期内公司无其他重大事项。

(十一) 信息披露索引

事 项	刊载的报刊名称及版面	刊载日期	刊载的互联网网站 及检索路径
第三届董事会临时会议决议公告	《上海证券报》A3 版 香港《大公报》B3 版	2005-03-04	http://www.sse.com.cn / 公告与提示/上市公司公告
董事会三届十一次会议决议公告	《上海证券报》C47 版 香港《大公报》B11 版	2005-04-26	
监事会三届十四次会议决议公告	《上海证券报》C47 版 香港《大公报》B11 版	2005-04-26	
董事会三届十二次会议决议公告	《上海证券报》15 版 香港《大公报》B8 版	2005-05-30	
监事会三届十五次会议决议公告	《上海证券报》15 版 香港《大公报》B8 版	2005-05-30	
召开 2004 年年度股东大会公告	《上海证券报》15 版 香港《大公报》B8 版	2005-05-30	
2004 年年度股东大会决议公告	《上海证券报》C10 版 香港《大公报》C7 版	2005-07-01	

## 七、财务报告（未经审计）

(一) 会计报表(附后)

1、本公司的基本情况

(1) 本公司的历史沿革

上海海立（集团）股份有限公司（以下简称“本公司”）经上海市经济委员会沪经企（1992）299 号文批准设立，由上海冰箱压缩机厂改组而成。1992 年 6 月 20 日由上海市工商行政管理局颁发法人营业执照，注册号：企股沪总字第 019016 号（市局）。现法定代表人为俞友涌。

现公司注册资本为 456,624,329 元，折合 456,624,329 股（每股面值人民币 1 元）。其中境内上市人民币普通股（A 股）24,336,323 股，境内上市外资股（B 股）215,280,006 股。业经安永大华会计师事务所有限责任公司验证并出具安永大华业字（2004）第 896 号验资报告。公司所发行的 A 股和 B 股分别于 1992 年 11 月 16 日和 1993 年 1 月 18 日在上海证券交易所上市交易。

## （2）本公司所属行业性质和业务范围

本公司所处行业为电器机械及器材制造业。

经营范围：公司主要从事研发、生产制冷设备及零部件、汽车零部件、家用电器及相关的材料、机械、电子产品，销售自产产品，投资举办其他企业（涉及许可经营的凭许可证经营）。

## （3）主要产品或提供的劳务

空调压缩机、除湿压缩机、汽车零部件、冰箱压缩机、制冷设备及其他。

## （4）季节性特征

公司主营业务主要是空调压缩机，受家用空调器行业销售季节性的影响，本公司的产品销售大部分集中在上半年度。

## （二）、本公司主要会计政策、会计估计和合并财务报表的编制方法

1、会计准则和会计制度：本公司及子公司执行国家颁布的企业会计准则、《企业会计制度》及其补充规定。

2、会计年度：自公历 1 月 1 日至 12 月 31 日。

3、记账本位币：人民币。

4、记账基础：权责发生制；计价原则：历史成本。

5、外币业务核算方法

会计年度内涉及外币的经济业务，按发生当月月初中国人民银行公布的市场汇价(中间价)折合人民币入账。月末将外币账户中的外币余额按月末市场汇价(中间价)进行调整，发生的差额（损益），与购建固定资产有关的外币专门借款的本金及利息在所购建的固定资产达到预定可使用状态前发生的部分予以资本化，属于筹建期间的部分计入长期待摊费用，其他部分计入当期费用。

6、现金等价物的确定标准

母公司及子公司持有的期限短（自购买日起三个月内到期）、流动性强、易于转换为已知金额现金，价值变动风险很小的投资，确认为现金等价物。

## 7、应收款项坏账损失核算方法

### (1) 坏账的确认标准

因债务人破产或死亡，以其破产财产或遗产清偿后，仍不能收回的应收款项；

因债务人逾期未履行偿债义务并且具有明显特征表明无法收回的应收款项。

以上确实不能收回的应收款项，按经批准的审批核销权限分级批准后，进行坏账转销。

### (2) 坏账损失核算方法

坏账损失采用备抵法核算。坏账准备的计提范围为全部应收账款和其他应收款。坏账准备的计提方法为：

公司对应收账款的坏账损失核算采用以个别认定结合账龄分析方法计提，即对能个别认定的先依据其可回收性予以计提，其余按账龄分析法计提，提取比例为：

账龄	计提比例
半年以内	0%
半年~1年	2%
1年~2年	20%
2年~3年	40%
3年~5年	70%
5年以上	95%

其他应收款坏账损失核算采用个别认定法计提。

## 8、待摊费用摊销方法

待摊费用明细项目	摊销期限	摊销方式
财产保险费	2005 年度	按受益期平均摊销
车辆保险费	2005 年度	按受益期平均摊销

## 9、存货核算方法

### (1) 本公司存货的分类

存货是指本公司在正常生产经营过程中持有以备出售的产成品或商品，或者为了出售仍然处在生产过程中的在产品，或者将在生产过程或提供劳务过程中耗用的材料物料等。本公司存货分类为：原材料、在产品、产成品、低值易耗品、物料用品、委托加工物资。

### (2) 取得存货入账价值的确定方法

各种存货按取得时的实际成本记账。

### (3) 发出存货的计价方法

存货日常核算采用计划成本方法，月末按当月材料成本差异率，将发出存货的计划成本调整为实际成本。

### (4) 低值易耗品的摊销方法

低值易耗品按一次摊销法摊销。

### (5) 存货的盘存制度

本公司的存货盘存制度采用永续盘存制。

### (6) 存货跌价损失准备的确认标准和计提方法

本公司期末存货按成本与可变现净值孰低计价。由于存货遭受毁损、全部或部分陈旧过时和销售价格低于成本等原因造成的存货成本不可收回的部分，按单个存货项目的成本高于可变现净值的差额计提存货跌价准备。对于数量繁多，单价较低的存货，按存货类别计量成本与可变现净值。

存货可变现净值按本公司在正常生产经营过程中，以估计售价减去估计完工成本及销售所必需的估计费用后的价值确定。

## 10、长期投资的核算方法

(1) 长期股权投资计价和收益确认方法：长期股权投资包括股票投资和其他股权投资。长期股权投资按其初始投资成本入账，即投资时实际支付的全部价款。

本公司对被投资企业无控制、无共同控制且无重大影响的，长期股权投资采用成本法核算；本公司对被投资企业具有控制、共同控制或者重大影响的，长期股权投资采用权益法核算。

(2) 股权投资差额的会计处理：对外长期股权投资采用权益法核算时，其取得成本大于其在被投资企业所有者权益中所占份额的差额，计入长期股权投资差额，并按 10 年平均摊销计入损益。对于取得成本小于其在被投资企业所有者权益中所占份额的差额，如相应的投资是在 2003 年 3 月 17 日以前发生的，则计入长期股权投资差额，并按 10 年平均摊销计入损益；如相应的投资是在 2003 年 3 月 17 日或其以后发生的，则计入资本公积。2004 年 5 月 28 日及其以后对被投资企业的追加投资所形成的股权投资差额，如借贷方向

与初次投资所形成的股权投资差额不同，则首先抵减初次投资所形成的股权投资差额（或其所形成的资本公积准备项目）的余额，对于追加投资所形成的股权投资差额大于初次投资所形成的股权投资差额余额的差额，再按照上述原则处理。

（3）长期投资减值准备的确认标准和计提方法：采用逐项计提的方法。本公司对被投资企业由于市价持续下跌或被投资企业经营情况变化等原因，导致其可收回金额低于长期投资账面价值，按可收回金额低于长期投资账面价值的差额，计提长期投资减值准备。长期投资减值准备的计提和冲回额通常计入当年度损益，但 2004 年 5 月 28 日及其以后针对以权益法核算的长期股权投资所计提的长期投资减值准备，如该项长期股权投资存在对应的股权投资差额的，则应当依据财政部“关于执行《企业会计制度》和相关会计准则有关问题解答（四）”（财会[2004]3 号）的规定，首先全部或者部分转销股权投资差额（或其所形成的资本公积准备项目）的余额，在此基础上确定应计入当期损益的减值准备计提额。

#### 11、固定资产计价与折旧政策及固定资产减值准备的计提方法

（1）固定资产的标准：固定资产是指同时具有以下特征的有形资产：为生产商品、提供劳务、出租或经营管理而持有；使用期限超过 1 年；单位价值较高。具体标准为：使用期限超过一年的房屋及建筑物、机器、机械、运输工具以及其他与生产、经营有关的设备、器具、工具等；单位价值在 2,000 元以上，并且使用期超过 2 年的，不属于生产、经营主要设备的物品。

（2）固定资产分类为：房屋建筑物、机器设备、运输设备、办公设备、其他设备。

（3）固定资产计价和减值准备的确认标准、计提方法：固定资产按实际成本或确定的价值入账。

每年末，对固定资产逐项进行检查，将由于市价持续下跌、技术陈旧、损坏或长期闲置等原因导致的可收回金额低于其账面价值的差额作为固定资产减值准备，计入当期损益。固定资产减值准备按单项资产计提。

（4）固定资产的折旧方法

固定资产折旧采用直线法平均计算，并按各类固定资产的原值和估计的经济使用年限扣除残值（原值的 4~10%）制定其折旧率。各类固定资产折旧率如下：

资产类别	估计经济使用年限	年折旧率
房屋及建筑物	20	4.5%-4.8%
机器设备	10	9%-9.6%
运输设备	5	18%-19.2%
办公设备	5	18%-19.2%



其他设备

5

18%-19.2%

对于房屋及建筑物的账面成本中所包含的土地使用权价值，如果土地使用权的预计使用年限高于房屋及建筑物的预计使用年限的，在预计该项房屋及建筑物的净残值时，考虑该项因素，并作为净残值预留，相应调整折旧率和净残值。

已计提减值准备的固定资产在计提折旧时，按照该项固定资产的账面价值，以及尚可使用年限重新计算确定折旧率和折旧额；如果已计提减值准备的固定资产价值又得以恢复，则按照该项固定资产恢复后的账面价值，以及尚可使用年限重新计算确定折旧率和折旧额。

## 12、在建工程核算方法

在建工程按实际发生的支出入账，并在达到预定可使用状态时，按工程的实际成本确认为固定资产。每年末，对在建工程进行全面检查，如果有证据表明在建工程已经发生了减值，则计提减值准备，计入当期损益。在建工程减值准备按单项资产计提。

## 13、借款费用的核算方法

### (1) 借款费用资本化的确认原则和资本化期间

依照《企业会计准则 - 借款费用》的规定，为购建固定资产所借入的专门借款，发生的利息、折价或溢价的摊销费用和汇兑差额，在同时符合以下条件时予以资本化，计入该项资产的成本：资产支出已经发生；借款费用已经发生；为使资产达到预定可使用状态所必要的购建活动已经开始。其他的借款利息、折价或溢价的摊销和汇兑差额，计入发生当期的损益。

若固定资产的购建活动发生非正常中断，并且中断时间连续超过 3 个月，暂停借款费用的资本化，将其确认为当期费用，直至资产的购建活动重新开始。

当所购建的固定资产达到预定可使用状态时，停止其借款费用的资本化；以后发生的借款费用于发生当期确认为费用。

因安排专门借款而发生的辅助费用，属于在所购建固定资产达到预定可使用状态之前发生的，在发生时予以资本化；其他辅助费用于发生当期确认为费用。若辅助费用的金额较小，于发生当期确认为费用。

### (2) 借款费用资本化金额的计算方法

每一会计期间的利息资本化金额为至当期末止购建固定资产累计支出加权平均数和资本化率的乘积。但是利息和折价或溢价摊销的资本化金额不超过当期专门借款实际发生的利息和折价或溢价的摊销金额。

## 14、无形资产计价及摊销方法

### (1) 无形资产的计价：无形资产按购入时实际支付的价款计价。

(2) 无形资产的摊销方法和摊销年限：自取得当月起按预计使用年限、合同规定的受益年限与法律规定的有效年限三者中的最短者平均摊销(如合同未规定受益年限，法律也

未规定有效年限，则摊销年限最长不超过 10 年)。各项无形资产的摊销年限如下表所示：

无形资产类别	摊销年限
场地使用权	46-50 年
工业产权和专有技术	7 年

(3) 无形资产减值准备的确认标准和计提方法：于每年年末，检查各项无形资产预计给本公司带来未来经济利益的能力，对预计可收回金额低于其账面价值的，应当计提减值准备，计入当期损益。无形资产减值准备按单项项目计提。

无形资产减值准备计提和转回后，相关无形资产的剩余摊销年限和年摊销额也需要根据无形资产的账面价值等因素重新确定。

#### 15、长期待摊费用的摊销方法

- (1) 水电增容费从 1997 年 7 月起按 10 年平均摊销；
- (2) 一次性领用模具量具按受益期在 3-5 年内平均摊销；
- (3) 35KV 变电站电力扩容费从 2003 年 7 月起按 5 年平均摊销。

#### 16、收入确认方法

(1) 销售商品：本公司已将商品所有权上的主要风险和报酬转移给买方，本公司不再对该商品实施管理权和实际控制权，与交易相关的经济利益能够流入本公司，并且相关的收入和成本能够可靠地计量时，确认营业收入的实现。

(2) 提供劳务：在同一年度内开始并完成的，在劳务已经提供，收到价款或取得收取价款的证据时，确认劳务收入。劳务的开始和完成分属不同会计年度的，在劳务合同的总收入、劳务的完成程度能够可靠地确定，与交易相关的价款能够流入，已经发生的成本和完成劳务将要发生的成本能够可靠地计量时，按完工百分比法确认劳务收入。

(3) 让渡资产使用权：利息收入按使用现金的时间和适用利率计算确定；发生的使用费收入按有关合同或协议规定的收费时间和方法计算确定。上述收入的确定并应同时满足：与交易相关的经济利益能够流入本公司；收入的金额能够可靠地计量。

#### 17、所得税的会计处理方法

采用应付税款法。

#### 18、主要会计政策、会计估计的变更及重大会计差错更正的说明

报告期无会计政策、会计估计的变更及重大会计差错更正。

## 19、合并会计报表编制方法

合并范围的确定原则和合并所采用的会计方法：根据财政部财会字(1995)11 号《关于印发 合并会计报表暂行规定 的通知》和财会二字(96)2 号《关于合并报表合并范围请示的复函》等文件的规定，以本公司本部和纳入合并范围的子公司本年度的财务报表以及其他有关资料为依据，合并各项目数额编制而成。合并时，公司间的重大内部交易和资金往来均相互抵消。

本公司在编制合并财务报表时，对原按行业会计制度编制的 2005 年上半年度财务报表，已按《企业会计制度》及其有关补充规定的规定进行了调整及重新表述。

### (三)、税项

税种	税率	计税基数
所得税*	15-33%	应纳税所得额
增值税	13、17%	按销项税额扣除当期允许抵扣的进项税额后的差额
营业税	5%	应税营业额
城建税	1、7%	应纳营业税额、增值税额

\*母公司注册地为浦东新区，企业所得税税率为 15%；公司下属合并范围内的子公司上海日立电器有限公司和上海森林电器有限公司注册地为浦东新区，作为外商投资企业享受 15%的企业所得税税率；公司下属合并范围内的子公司上海金旋房地产开发经营公司和上海海立铸造有限公司企业所得税税率为 33%。

本公司适用的费种与费率：

费种	费率	计费基数
教育费附加	3%	应纳营业税额、增值税额
河道工程维检费	0.5%、1%	应纳营业税额、增值税额

### (四)、控股子公司及合营企业

本公司所控制的境内外所有子公司和合营企业情况以及本公司合并报表的合并范围

被投资企业 全称	业务 性质	注册资本	经营范围	报告期末本公司 实际投资额	报告期末本 公司所占 权益比例	是否 合并	合并或 不合并 的原因
①上海日立电器有限公司	工业	美元 15,904 万	生产房间用空调压缩机及其他家电产品，销售自产产品	人民币 96,610.4 万	75%	是	

②上海森林电器有限公司	工业	美元 6,000 万	开发制造制冷压缩机及相关产品, 销售自产产品	人民币 33,793.1 万	75%	是	
③上海金旋房地产开发经营公司	房地产业	人民币 1,730 万	房地产经营开发、房地产咨询等	人民币 1,730 万	100%	是	
④上海海立铸造有限公司	工业	人民币 3,070 万	铸造件、五金加工、热处理、机械加工	人民币 2,456 万	80%	是	
⑤上海海立特种制冷设备有限公司	工业	人民币 1,000 万	制冷、温度调节控制设备及相关产品的制造、安装等	人民币 700 万	70%	否	*
⑥上海海韵人造花有限公司	工业	人民币 100 万	塑料花、涤纶花、塑料制品	人民币 80 万	80%	否	*
⑦上海海立集团贸易有限公司	商业	人民币 500 万	经营各类商品和技术的进出口, 制冷设备及配件、五金交电家电、机电设备及配件等的销售	人民币 400 万	80%	否	*

\*上海海立特种制冷设备有限公司、上海海韵人造花有限公司和上海海立集团贸易有限公司三家子公司因其资产总额和销售收入的合计数占母公司和所有子公司相应指标合计数的比例, 以及当期净利润中母公司所享有的份额占母公司净利润的比例单独计算或合并计算均在 10% 以下, 对财务状况影响较小, 根据重要性原则, 不纳入合并报表范围。

## (五)、合并财务报表主要项目附注

### 1、货币资金

现金	期末数			年初数		
	原币	汇率	折人民币	原币	汇率	折人民币
人民币	90,365.39	-	90,365.39	-	-	152,741.59
美元	23,526.66	8.2765	194,718.40	33,509.59	8.2765	277,342.12
日元	4,713,448.00	0.075149	<u>354,210.91</u>	5,816,791.00	0.079701	<u>463,604.06</u>
合计			<u>639,294.70</u>			<u>893,687.77</u>
银行存款	期末数			年初数		
	原币	汇率	折人民币	原币	汇率	折人民币
人民币	-	-	84,869,810.33	-	-	190,096,758.21
美元	4,293,891.74	8.2765	35,538,394.99	1,089,792.05	8.2765	9,019,663.92
日元	24,198,226.00	0.075149	<u>1,818,472.48</u>	780,059.00	0.079701	<u>62,171.48</u>

合计	<u>122,226,677.80</u>	<u>199,178,593.61</u>
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其他货币资金	性质	期末数	年初数
人民币	银票保证金	8,732,500.00	1,330,000.00
人民币	信用证保证金	5,261,741.18	-
人民币	定期存款	<u>187,000,000.00</u>	=
合计		<u>200,994,241.18</u>	<u>1,330,000.00</u>

## 2、应收票据

票据种类	期末数	年初数	备注
银行承兑汇票	364,084,063.12	409,746,247.70	
合 计	<u>364,084,063.12</u>	<u>409,746,247.70</u>	

本科目期末余额中无应收持本公司 5% 以上(含 5%)有表决权股份的股东单位的票据。  
截至报告期末,无已用于质押的商业承兑汇票。

## 3、应收账款

账龄	余额	期末数			年初数			
		占应收账款 总额比例 (%)	坏账准备 计提比例 (%)	坏账准备	余额	占应收账款 总额比例 (%)	坏账准备 计提比例 (%)	坏账准备
6 个月以内	746,442,813.97	98.84	-	0.00	273,525,477.19	96.39	-	-
1 年以内	1,222,474.78	0.16	3.02	36,881.38	3,013,559.66	1.06	1.91	57,612.66
1 - 2 年	938,643.19	0.12	82.61	775,383.64	638,494.50	0.23	93.61	597,686.87
2 - 3 年	131,908.72	0.02	40.00	52,763.49	112,664.23	0.04	36.75	41,401.02
3 年以上	<u>6,459,135.03</u>	<u>0.86</u>	<u>100.00</u>	<u>6,459,135.03</u>	<u>6,470,242.61</u>	<u>2.28</u>	<u>99.94</u>	<u>6,466,342.34</u>
合计	<u>755,194,975.69</u>	<u>100.00%</u>	<u>0.97</u>	<u>7,324,163.54</u>	<u>283,760,438.19</u>	<u>100.00</u>	<u>2.52</u>	<u>7,163,042.89</u>

本项目期末数中无持本公司 5% (含 5%) 以上表决权股份的股东单位的欠款。

期末坏账准备余额占应收账款余额的比例小于 5% 的原因，系公司 6 个月以内的应收账款余额为 746,442,813.97 元，占总余额的 98.84%，根据公司坏账准备计提政策，该账龄段的坏账计提比例为 0%。

本项目期末数中欠款金额前五名的欠款金额合计为 201,444,965.78 元，占应收账款总额的比例为 26.67%。

#### 4、其他应收款

账龄	余额	期末数			年初数			坏账准备
		占其他应收款 总额比例 (%)	坏账准备 计提比例 (%)	坏账准备	余额	占其他应收款 总额比例 (%)	坏账准备 计提比例 (%)	
1 年以内	20,252,792.70	69.95	-	-	7,334,974.22	30.92	-	-
1 - 2 年	-	-	-	-	15,174,182.25	63.97	57.00	8,650,000.00
2 - 3 年	8,700,000.00	30.05	99.43	8,650,000.00	10,000.00	0.04	-	-
3 年以上	<u>2,000.00</u>	<u>0.01</u>	-	-	<u>1,201,376.63</u>	<u>5.06</u>	-	-
合计	<u>28,954,792.70</u>	<u>100.00</u>	<u>29.87</u>	<u>8,650,000.00</u>	<u>23,720,533.10</u>	<u>100.00</u>	<u>36.47</u>	<u>8,650,000.00</u>

本项目期末数中无持本公司 5%（含 5%）以上表决权股份的股东单位的欠款。

其他应收款年末数中金额较大的债务人情况：

债务人名称	期末欠款余额	性质或内容	欠款时间（账龄）
绍兴市虹太电器厂	8,650,000.00	设备出售款	2 - 3 年
上海海立冷机设备有限公司	4,919,751.40	暂付款项	1 年以内
日立职工购房贷款	3,432,514.39	职工暂借款	1 年以内、1 - 2 年
日立职工购车贷款	3,376,576.70	职工暂借款	1 年以内、1 - 2 年
海关	3,045,558.03	保证金	1 年以内

本项目期末数中欠款金额前五名的欠款金额合计为 23,424,400.52 元，占其他收账款总额的比例为 80.90%。

#### 5、预付货款

账龄	期末数		年初数	
	余额	占总额比例(%)	余额	占总额比例(%)
1 年以内	26,625,939.34	99.85	15,427,616.48	99.68

1~2 年	<u>40,500.00</u>	<u>0.15</u>	<u>49,882.00</u>	<u>0.32</u>
合计	<u>26,666,439.34</u>	<u>100.00</u>	<u>15,477,498.48</u>	<u>100.00</u>

本项目期末数中无持本公司 5%（含 5%）以上表决权股份的股东单位的欠款。

## 6、存货

类别	存货		年初数	本期增加	跌价准备		合计	期末数
	期末数	年初数			因资产价值回升转回数	本期减少 其他原因 转出数*		
产成品	283,651,560.78	457,339,527.44	4,120,058.24	2,834,853.00	208,865.59	3,759,966.41	3,968,832.00	2,986,079.24
在产品	33,526,219.13	31,039,960.90	384,965.26	-	-	384,965.26	384,965.26	-
原材料	185,084,595.46	157,696,745.35	15,539,304.79	-	-	3,792,423.32	3,792,423.32	11,746,881.47
低值易耗品	23,445,808.95	19,627,403.77	-	-	-	-	-	-
物料用品		1,100.00	-	-	-	-	-	-
委托加工物资	<u>1,848,375.33</u>	<u>1,961,801.00</u>	=	=	=	=	=	=
合计	<u>527,556,559.65</u>	<u>667,666,538.46</u>	<u>20,044,328.29</u>	<u>2,834,853.00</u>	<u>208,865.59</u>	<u>7,937,354.99</u>	<u>8,146,220.58</u>	<u>14,732,960.71</u>

\* 其他原因转出数中主要系期初已提存货跌价损失准备的存货在本期内出售。

本公司上述存货期末数中所包含的存货项目的取得方式有：外购、自制、委托加工和债务重组取得。

## 7、待摊费用

费用类别	期末数	年初数	期末余额结存原因
车辆保险费	-	3,838.00	-
财产保险费	=	<u>234,673.55</u>	-
合计	=	<u>238,511.55</u>	

## 8、长期投资

## (1) 明细项目

项目	金 额				减值准备				合计	期末数
	年初数	本期增加	本期减少	期末数	年初数	本期增加	因资产 价值回升 转回数	其他 原因 转出数		
一、长期股权投资 (权益法)	120,830,599.73	2,990,400.14	15,752,582.18	108,068,417.69	-	-	-	-	-	-
其中：对子公司 投资	-20,776,964.72	2,506,612.81	4,836,081.77	-23,106,433.68	-	-	-	-	-	-
对联营企 业投资	141,607,564.45	483,787.33	10,916,500.41	131,174,851.37	-	-	-	-	-	-
二、长期股权投资 (成本法)	18,385,216.55	-	2,694,162.00	15,691,054.55	1,894,435.37	146,232.19	66,268.80	-	66,268.80	1,974,398.76
其中：股票投资	18,285,216.55	-	2,694,162.00	15,591,054.55	1,894,435.37	146,232.19	66,268.80	-	66,268.80	1,974,398.76
其他长期 股权投资	<u>100,000.00</u>	=	=	<u>100,000.00</u>	=	=	=	=	=	=
合 计	<u>139,215,816.28</u>	<u>2,990,400.14</u>	<u>18,446,744.18</u>	<u>123,759,472.24</u>	<u>1,894,435.37</u>	<u>146,232.19</u>	<u>66,268.80</u>	=	<u>66,268.80</u>	<u>1,974,398.76</u>

## (2) 长期股权投资(权益法)

## ①长期股权投资(权益法)

被投资企业 名称	与母公司 关系	投资 期限	占被投资 企业注册 资本的 比例	初始投 资额	累计追加 投资额	损益调整额		投资处置 转出	累计 增减额	投资准备		期末数 (12)=(5)+(6)+ (9)+(11)
						本期 增减额	分得现金 红利额			本期 增加额	累计 增加额	
(1)	(2)*	(3)	(4)	(5)	(6)	(7)	(8)		(9)	(10)	(11)	
上海海立特 种制冷设备有 限公司	子公司	20年	70%	1,450,000.00	5,608,225.34	2,100,107.06	2,174,989.85	-	3,011,968.61	-	-	10,070,193.95
上海海韵人 造花有限公司	子公司	10年	80%	800,000.00	-	32,209.41	54,053.02	-	81,368.84	-	-	881,368.84
上海海立集 团贸易有限公 司	子公司	10年	80%	4,000,000.00	-	374,296.34	760,000.00	-	512,164.07	-	-	4,512,164.07
上海扎努西 电气机械有限 公司	联营公司	50年	35%	79,690,078.30	-	-2,916,500.41	-	-	-60,724,358.97	-	139,684.04	19,105,403.37
日立海立汽 车部件(上海)有 限公司	联营公司	20年	33.33%	28,969,150.00	28,968,800.00	-8,000,000.00	-	-	-13,168,927.41	-	23,262.67	44,792,285.26
上海海立中 野冷机有限公 司	联营公司	25年	43%	<u>70,949,674.92</u>	<u>-5,971,058.00</u>	<u>431,098.59</u>	=	=	<u>3,088,877.04</u>	=	=	<u>68,067,493.96</u>



小计 185,858,903.22 28,605,967.34 -7,978,789.01 2,989,042.87 = -67,198,907.82 = 162,946.71 147,428,909.45

### 股权投资差额

被投资企业名称	初始金额	形成原因	摊销期限	本期摊销额	摊余金额
上海日立电器有限公司	36,940,777.70	注 1	10 年	1,847,038.90	12,800,746.78
上海森林电器有限公司	-61,109,033.38	注 2	10 年	-	-51,370,907.32
上海海立中野冷机有限公司	-1,053,774.92	注 3	10 年	-52,688.74	-790,331.22
小计	-25,222,030.60			1,794,350.16	-39,360,491.76

注 1：包括①初始投资时汇兑差额（人民币 29,300,308.24 元），及 2002 年收购国投机轻持有上海日立电器有限公司的 8% 股权时，所支付的价款与购买日上海日立所有者权益中公司所占 8% 份额的差额（人民币 7,640,469.46 元），计入本科目。

注 2：包括①2001 年 1 月收购日本三菱电机株式会社持有上海森林电器有限公司的 50% 股权时，所支付的价款与购买日森林电器所有者权益中公司所占 50% 份额的差额（人民币 -71,811,459.33 元），及 因会计政策变更追溯调减公司下属子公司上海森林电器有限公司以前年度净资产，致使公司重新确认①中的股权投资差额所形成的补记差额（人民币 6,890,618.96 元），及 2004 年 12 月 30 日收购上海轻工控股（集团）公司持有上海森林电器有限公司 6% 股权时，所支付的价款与购买日森林电器所有者权益中公司增持的 6% 份额的差额（人民币 3,811,806.99 元）计入本科目。由于本公司对上海森林电器有限公司的长期股权投资账面价值年初已减至零，因此本期不对股权投资差额进行摊销。

注 3：2002 年 12 月底向上海双鹿电冰箱有限公司收购上海海立中野冷机有限公司的 43% 股权时所支付的价款与购买日上海海立中野冷机有限公司的所有者权益中本公司所占 43% 份额的差额 -1,053,774.92 元，计入本科目。

### （3）长期股权投资（成本法）

#### ①股票投资

被投资企业名称	股份类别	股票数量	占被投资企业注册资本的比例	初始投资成本
(1)上海丰华圆珠笔股份有限公司	法人股	475,200	小于 5%	1,650,000.00
(2)冠城大通股份有限公司	法人股	532,480	小于 5%	295,454.55
(3)上海新锦江国际实业投资股份有限公司	法人股	1,881,792	小于 5%	4,622,000.00
(4)上海第一食品商店股份有限公司	法人股	2,309,163	小于 5%	1,640,000.00
(5)上海轮胎橡胶(集团)股份有限公司	法人股	71,500	小于 5%	340,000.00
(6)上海嘉宝实业(集团)股份有限公司	法人股	74,880	小于 5%	182,000.00
(7)上海原水股份有限公司	法人股	220,000	小于 5%	600,000.00

(8)天地源股份有限公司	法人股	198,000	小于 5%	554,400.00
(9)上海百联集团股份有限公司	法人股	2,241,641	小于 5%	4,547,200.00
(10)上海三毛纺织股份有限公司	法人股	147,840	小于 5%	440,000.00
(11)上海棱光实业股份有限公司	法人股	136,620	小于 5%	110,000.00
(12)上海电器股份有限公司	法人股	120,000	小于 5%	440,000.00
(13)上海三爱富新材料股份有限公司	法人股	<u>171,608</u>	小于 5%	<u>170,000.00</u>
小计		<u>8,580,724</u>		<u>15,591,054.55</u>

被投资企业名称	年初数	本期增加数	减值准备		合计	期末数	减值准备 计提原因
			因资产价值 回升转回数	本期减少数 其他原因 转出数			
(1)上海丰华圆珠笔股份有限公司	1,022,736.00	-	20,908.80	-	20,908.80	1,001,827.20	
(2)上海轮胎橡胶(集团)股份有限公司	243,403.60	-	12,798.60	-	12,798.60	230,605.00	
(3)上海嘉宝实业(集团)股份有限公司	66,834.56	3,744.00	-	-	-	70,578.56	
(4)天地源股份有限公司	193,901.40	-	9,761.40	-	9,761.40	184,140.00	预计收回价值 低于账面成本
(5)上海三毛纺织股份有限公司	68,359.81	142,488.19	-	-	-	210,848.00	
(6)上海棱光实业股份有限公司	110,000.00	-	-	-	-	110,000.00	
(7)上海电器股份有限公司	<u>189,200.00</u>	=	<u>22,800.00</u>	=	<u>22,800.00</u>	<u>166,400.00</u>	
小计	<u>1,894,435.37</u>	<u>146,232.19</u>	<u>66,268.80</u>	=	<u>66,268.80</u>	<u>1,974,398.76</u>	

### 其他长期股权投资（成本法）

被投资企业名称	投资期限	投资金额	占被投资企业注册资本的比例
二轻销售公司	24 年	100,000.00	0.36%

投资变现不存在重大限制。

累计投资期末数占期末净资产的比例为 15.15%。

## 9、固定资产及累计折旧

固定资产分类	年初数	本期增加	本期减少	期末数	
<b>(1) 固定资产原值</b>					
房屋及建筑物	397,428,968.94	0.00	0.00	397,428,968.94	
机器设备	2,482,750,827.46	3,655,684.00	12,943,014.80	2,473,463,496.66	
运输设备	38,717,640.95	498,088.41	1,451,563.09	37,764,166.27	
办公设备	6,893,255.00	392,379.18	79,066.00	7,206,568.18	
其他	<u>188,111,367.07</u>	<u>5,528,339.00</u>	<u>854,089.92</u>	<u>192,785,616.15</u>	
合计	<u>3,113,902,059.42</u>	<u>10,074,490.59</u>	<u>15,327,733.81</u>	<u>3,108,648,816.20</u>	
<b>(2) 累计折旧</b>					
房屋及建筑物	147,815,280.63	10,679,957.48	0.00	158,495,238.11	
机器设备	1,319,218,687.59	162,434,046.55	1,148,442.36	1,480,504,291.78	
运输设备	27,075,383.18	1,785,862.76	1,260,129.96	27,601,115.98	
办公设备	5,714,568.16	357,089.33	46,249.00	6,025,408.49	
其他	<u>112,376,327.73</u>	<u>14,557,047.29</u>	<u>611,224.02</u>	126,322,151.00	
合计	<u>1,612,200,247.29</u>	<u>189,814,003.41</u>	<u>3,066,045.34</u>	1,798,948,205.36	
<b>(3) 净值</b>					
房屋及建筑物	249,613,688.31			238,933,730.83	
机器设备	1,163,532,139.87			992,959,204.88	
运输设备	11,642,257.77			10,163,050.29	
办公设备	1,178,686.84			1,181,159.69	
其他	<u>75,735,039.34</u>			66,463,465.15	
合计	<u>1,501,701,812.13</u>			<u>1,309,700,610.84</u>	
固定资产分类	年初数	本期增加	本期减少	期末数	
<b>(4) 固定资产减值准备</b>					
			因资产价值回升转回数	其他原因转出数	合计
房屋及建筑物	-	-	-	-	-
机器设备	6,803,201.62	-	-	-	6,803,201.62
运输设备		-		=	=

办公设备	108,806.17	-	<u>32,817.00</u>	<u>32,817.00</u>	75,989.17
其他	<u>2,476,536.43</u>	-	=	=	<u>2,476,536.43</u>
合计	<u>9,388,544.22</u>	=	<u>32,817.00</u>	<u>32,817.00</u>	<u>9,355,727.22</u>
固定资产分类	年初数	本期增加	本期减少		期末数
(5)固定资产净额					
房屋及建筑物	249,613,688.31				238,933,730.83
机器设备	1,156,728,938.25				986,156,003.26
运输设备	11,642,257.77				10,163,050.29
办公设备	1,069,880.67				1,105,170.52
其他	<u>73,258,502.91</u>				<u>63,986,928.72</u>
合计	<u>1,492,313,267.91</u>				<u>1,300,344,883.62</u>

## (6)固定资产及累计折旧本年增减变动原因分析

## 固定资产原值：

年初数	3,113,902,059.42
本期增加：	
外购	7,615,830.57
自行建造（在建工程转入）	2,458,660.02
其他（固定资产分类调整等）	
本期增加小计	<u>10,074,490.59</u>
本期减少：	
报废和出售	4,382,016.99
其他（模具转入长期待摊费用等）	<u>10,945,716.82</u>
本期减少小计	<u>15,327,733.81</u>
期末数	<u>3,108,648,816.20</u>
累计折旧：	
年初数	1,612,200,247.29
本期增加：	
计提	189,814,003.41
其他（固定资产分类调整等）	
本期增加小计	<u>189,814,003.41</u>

本期减少：

报废和出售 3,066,045.34

其他（固定资产分类调整等）

本期减少小计 3,066,045.34

期末数 1,798,948,205.36

(7)年末固定资产的账面价值中，暂时闲置的固定资产为 3,796,817.21 元；已提足折旧仍继续使用的固定资产为 37,518,403.92 元；无已退废和准备处置的固定资产。

(8)各类经营租赁租出固定资产的账面价值（即净额）

固定资产种类	期末数	年初数
房屋建筑物	6,037,740.24	6,112,790.39

## 10、在建工程

工程名称	年初数		本期增加		本期转入固定资产		其他减少	
	金额	其中:借款费用资本化数	金额	其中:借款费用资本化数	金额	其中:借款费用资本化数	金额	其中:借款费用资本化数
求精住宅办	813,932.16	-	0.00	-	-	-	813,932.16	-
科技大楼	38,800,672.06	-	11,195,457.86	-	-	-	-	-
工模具车间	-	-	35,810.00	-	-	-	-	-
TH 增产工程	125,969,153.29	-	23,066,148.25	-	2,458,660.02	-	-	-
森林二期工程	15,303,228.36	-	0.00	-	-	-	1,963,445.55	-
SL/TL 工程二期	26,894,498.06	-	57,087,859.48	-	-	-	-	-
G 扩产项目	387,000.00	-	65,113,300.06	-	-	-	-	-
其他	<u>260,000.00</u>	=	<u>2,261,076.57</u>	=	=	=	=	=
合计	<u>208,428,483.93</u>	=	<u>171,141,147.30</u>	=	<u>2,458,660.02</u>	=	<u>2,777,377.71</u>	=

工程名称	期末数		预算数	资金来源	资本化率（%）	工程投入占预算的比例
	金额	其中:借款费用资本化数				
求精住宅办	-	-	-	自筹	-	-
科技大楼	49,996,129.92	-	7,859 万元	自筹	-	63.6%
工模具车间	35,810.00	-	-	自筹	-	-
TH 增产工程	146,576,641.52	-	14,733 万元	自筹	-	99.5%

森林二期工程	13,339,782.81	-	-	自筹	-	-
SL/TL 工程二期	83,982,357.54	-	1,154 万美元	增资、贷款	-	87.9%
G 扩产项目	65,500,300.06	-	810 万美元	增资、自筹	-	97.7%
其他	<u>2,521,076.57</u>	=	-	自筹	-	-
合计	<u>361,952,098.42</u>	=				

### 在建工程减值准备：

工程名称	年初数	本期增加	因资产价值回升转回数	本期减少 其他原因 转出数	合计	期末数	计提原因
求精住宅办	360,000.00	-	360,000.00	-	360,000.00	-	-
森林二期工程	<u>13,772,905.52</u>	=	=	<u>1,767,100.99</u>	<u>1,767,100.99</u>	<u>12,005,804.53</u>	产品转型不适用
合计	<u>14,132,905.52</u>	=	<u>360,000.00</u>	<u>1,767,100.99</u>	<u>2,127,100.99</u>	<u>12,005,804.53</u>	

本期在建工程的其他减少系出售资产。

### 11、无形资产

类别	取得方式	原始金额	年初数	本期增加额	本期摊销额	累计摊销额	本期转出	期末数	剩余摊销年限
场地使用权	购入	170,175,120.90	140,214,723.01	-	1,679,913.18	31,640,311.07	-	138,534,809.83	37.33 - 41.83 年
工业产权及 专有技术	购入	<u>10,388,587.01</u>	<u>974,584.01</u>	=	<u>89,512.02</u>	<u>9,503,515.02</u>	=	<u>885,071.99</u>	4.33 年
合计		<u>180,563,707.91</u>	<u>141,189,307.02</u>	=	<u>1,769,425.20</u>	<u>41,143,826.09</u>	=	<u>139,419,881.82</u>	

本公司本期不存在需计提无形资产减值准备的情况。

### 12、长期待摊费用

类别	原始发生额	年初数	本期增加	本期摊销额	累计摊销额	本期转出	期末数	剩余摊销年限
模具	48,910,403.38	13,921,566.99	13,911,018.73	11,675,532.08	46,664,368.47	-	16,157,053.64	0.5~3 年
水电增容费	12,633,207.95	3,093,207.95	-	636,000.00	10,176,000.00	-	2,457,207.95	2 年
35KV 变电站增容费	<u>3,636,185.00</u>	<u>2,545,385.00</u>	=	<u>363,600.00</u>	<u>1,454,400.00</u>	=	<u>2,181,785.00</u>	3 年
合计	<u>65,179,796.33</u>	<u>19,560,159.94</u>	<u>13,911,018.73</u>	<u>12,675,132.08</u>	<u>58,294,768.47</u>	=	<u>20,796,046.59</u>	

## 13、短期借款

借款类别	币种	期末数			年初数		
		原币	折算汇率	折人民币	原币	折算汇率	折人民币
信用	人民币	-	-	518,000,000.00	-	-	694,000,000.00
信用	美元	19,720,666.22	8.2765	163,218,093.97	25,000,000.00	8.2765	206,912,500.00
信用	日元	430,000,000.00	0.075149	32,314,070.00	-	-	-
质押	人民币	-	-	-	-	-	<u>30,000,000.00</u>
合计				<u>713,532,163.97</u>			<u>930,912,500.00</u>

本公司期末无已到期未偿还的借款。

## 14、应付票据

票据种类	期末数	年初数	备注
银行承兑汇票	196,407,024.17	33,300,000.00	
商业承兑汇票	<u>3,300,000.00</u>	<u>8,000,000.00</u>	
合计	<u>199,707,024.17</u>	<u>41,300,000.00</u>	

上述应付票据期末数均将于会计年度内到期。其中无应付给持本公司 5%（含 5%）以上表决权股份的股东单位的票据。

## 15、应付账款

本项目期末数中无应付给持本公司 5%（含 5%）以上表决权股份的股东单位的款项。

本公司期末无账龄超过 3 年的大额应付账款。

## 16、预收账款

本项目期末数中无预收持本公司 5%（含 5%）以上表决权股份的股东单位的款项。

本公司期末无账龄 1 年以上的大额预收账款。

## 17、应付股利

主要投资者	期末数	年初数	未付原因
A、B 股股东	92,889,613.29	1,573,747.49	尚未支付的现金股利

## 18、应交税金

税种	期末欠(溢)交额	年初欠(溢)交额
增值税	-990,522.16	-34,022,517.61
营业税	301,240.50	638,130.67
个人所得税	565,758.52	569,517.81
城建税	15,051.52	21,336.21
企业所得税	<u>20,641,806.53</u>	<u>18,732,119.22</u>
合计	<u>20,533,334.91</u>	<u>-14,061,413.70</u>

## 19、其他应交款

费种	期末欠(溢)交额	年初欠(溢)交额
教育费附加	9,528.49	30,346.15
河道管理费	<u>3,176.15</u>	<u>10,115.39</u>
合计	<u>12,704.64</u>	<u>40,461.54</u>

## 20、其他应付款

本项目期末数中无应付给持本公司 5% (含 5%) 以上表决权股份的股东单位的款项。

本公司期末无账龄超过 3 年的大额其他应付款。

期末数中金额较大的明细项目的说明：

债权人名称	期末数	性质或内容
质量风险准备金	20,276,214.19	产品质量基金
日本日立家用电器公司	9,573,561.82	商标费、提成费



## 21、预提费用

费用类别	期末数	年初数	结存原因
借款利息	4,278,014.74	2,100,518.82	期末应计利息
动力、运输费	3,400,000.00	-	尚未结算费用
委外加工费	7,797,169.62	-	尚未结算费用
其他	<u>941,284.65</u>	-	尚未结算费用
合计	<u>16,416,469.01</u>	<u>2,100,518.82</u>	

## 22、一年内到期的长期负债

一年内到期的长期借款：

借款类别	币种	期末数	年初数
信用	人民币	6,000,000.00	42,600,000.00

本公司期末无已到期未偿还的借款。

期末一年内到期的长期借款均为本公司下属子公司的借款，借款的保证人均为本公司。

## 23、长期借款

借款类别	币种	期末数	年初数
信用	人民币	150,500,000.00	4,000,000.00

期末长期借款均为本公司下属子公司的借款，其中 4,000,000.00 元借款的保证人为本公司。

## 24、股本：每股面值 1 元，其股本结构为：(股票种类：普通股 A 股/B 股)

	本次变动前	比例	本次变动增减(+、-)					小计	本次变动后	比例
			募股/配股	送股	公积金转股	增发	其他			
一、尚未上市流通股份										
1.发起人股份	144,000,000.00	31.53%						144,000,000.00	31.53%	

其中：				
(1)国家拥有股份	144,000,000.00	31.53%		144,000,000.00 31.53%
(2)境内法人持有股份				
(3)境外法人持有股份				
(4)其他				
2.募集法人股份	73,008,000.00	15.99%		73,008,000.00 15.99%
3.内部职工股				
4.优先股或其他				
未上市流通股份合计	217,008,000.00	47.52%		217,008,000.00 47.52%
二、已上市流通股份				
1.人民币普通股	24,336,323.00	5.33%		24,336,323.00 5.33%
2.境内上市的外资股	215,280,006.00	47.15%		215,280,006.00 47.15%
3.境外上市的外资股				
4.其他				
已上市流通股份合计	<u>239,616,329.00</u>	<u>52.48%</u>		<u>239,616,329.00</u> <u>52.48%</u>
三、股份总数	<u>456,624,329.00</u>	<u>100%</u>		<u>456,624,329.00</u> <u>100%</u>

## 25、资本公积

项目	年初数	本期增加	本期减少	期末数
股本溢价	234,997,592.10	-	-	234,997,592.10
拨款转入	78,980,800.00	-	-	78,980,800.00
股权投资准备	221,172.05	-	-	221,172.05
其他资本公积	<u>29,892,843.26</u>	=	=	<u>29,892,843.26</u>
合计	<u>344,092,407.41</u>	=	=	<u>344,092,407.41</u>

## 26、盈余公积

项目	年初数	本期增加数	本期减少数	期末数
法定盈余公积	194,667,886.20	50,933,290.29	-	245,601,176.49
公益金	85,862,332.66	554,032.06	-	86,416,364.72
任意盈余公积	<u>22,814,278.83</u>	=	=	<u>22,814,278.83</u>
合计	303,344,497.69	51,487,322.35	-	354,831,820.04

## 27、未分配利润

2005 年上半年度

(1) 年初未分配利润额	181,283,842.71
(2)加：当年度合并净利润	175,016,741.80
(3) 盈余公积转入数	-
(4)减：提取法定盈余公积金	50,933,290.29
(5) 提取法定公益金	554,032.06
(6) 提取任意盈余公积	-
(7) 外商投资子公司提取的奖福基金	16,247,510.61
(8)减：分配上年度股利（或分配本年度中期股利）	91,324,865.80
(9)减：转作股本的普通股股利	=
(10)期末未分配利润余额	<u>197,240,885.75</u>

2004 年利润实际分配情况：根据 2004 年度股东大会决议，按 2004 年度税后利润的 10%、10% 分别提取法定盈余公积和公益金后，不再提取任意公积金，同时以 2004 年末总股本为基数，每 10 股派 2.00 元(含税)。

## 28、主营业务收入和主营业务成本

## 行业分部报表

行业种类	营业收入		营业成本		营业毛利	
	本期数	上年同期数	本期数	上年同期数	本期数	上年同期数
制造业	2,518,898,664.93	2,172,040,735.84	2,056,163,548.63	1,719,566,874.38	462,735,116.30	452,473,861.46

小计	<u>2,518,898,664.93</u>	<u>2,172,040,735.84</u>	<u>2,056,163,548.63</u>	<u>1,719,566,874.38</u>	<u>462,735,116.30</u>	<u>452,473,861.46</u>
减：公司内各 业务分部间互 相抵减	=	=	=	=	=	=
合计	<u>2,518,898,664.93</u>	<u>2,172,040,735.84</u>	<u>2,056,163,548.63</u>	<u>1,719,566,874.38</u>	<u>462,735,116.30</u>	<u>452,473,861.46</u>

## 地区分部报表

地区种类	营业收入		营业成本		营业毛利	
	本期数	上年同期数	本期数	上年同期数	本期数	上年同期数
①国内	2,201,248,800.86	1,986,938,001.94	1,780,628,776.23	1,563,591,684.84	420,620,024.63	423,346,317.10
②国外	<u>317,649,864.07</u>	<u>185,102,733.90</u>	<u>275,534,772.40</u>	<u>155,975,189.54</u>	<u>42,115,091.67</u>	<u>29,127,544.36</u>
小计	<u>2,518,898,664.93</u>	<u>2,172,040,735.84</u>	<u>2,056,163,548.63</u>	<u>1,719,566,874.38</u>	<u>462,735,116.30</u>	<u>452,473,861.46</u>
减：公司内各 地区分部间 互相抵减	=	=	=	=	=	=
合计	<u>2,518,898,664.93</u>	<u>2,172,040,735.84</u>	<u>2,056,163,548.63</u>	<u>1,719,566,874.38</u>	<u>462,735,116.30</u>	<u>452,473,861.46</u>

本期本公司向前五名客户销售的收入总额为 875,980,664.64 元,占本公司全部销售收入的 34.78%。

## 29、主营业务税金及附加

税费种类	本期数	上年同期数
营业税	-	-
城市维护建设税	50,606.27	24,855.05
教育费附加	151,818.85	67,727.40
合计	<u>202,425.12</u>	<u>92,582.45</u>

## 30、其他业务利润

业务种类	本期数		上年同期数		备注
	收入金额	成本金额(含税金)	收入金额	成本金额(含税金)	
租赁	1,074,498.20	59,445.16	1,543,326.26	296,863.59	

材料及废料销售	21,122,549.43	6,601,328.82	23,046,644.28	21,701,941.26
合计	<u>22,197,047.63</u>	<u>6,660,773.98</u>	<u>24,589,970.54</u>	<u>21,998,804.85</u>

## 31、财务费用

费用项目	本期数	上年同期数
利息支出	32,194,084.39	34,240,538.27
减：利息收入	2,211,949.53	2,567,951.07
汇兑损失	10,032.72	8,617,007.26
减：汇兑收益	4,124,415.54	9,549,137.85
金融机构手续费	<u>851,082.34</u>	<u>697,756.13</u>
合计	<u>26,718,834.38</u>	<u>31,438,212.74</u>

## 32、投资收益

项目	本期数	上年同期数
股票投资收益	465,432.60	13,200.60
在按权益法核算的被投资公司的 净损益中所占的份额	-7,978,789.01	-3,634,896.93
股权投资差额摊销	-1,794,350.16	-1,794,350.16
股权投资转让损益	-694,162.00	420,000.00
长期投资减值准备	-79,963.39	-
合计	<u>-10,081,831.96</u>	<u>-4,996,046.49</u>

投资收益的汇回不存在重大限制。

## 33. 补贴收入

项目	金 本期数	额 上年同期数	来源	相关批准文件	批准机关
地方扶持资金	136,000.00	289,308.00	上海市金山区财政局	金府 [ 1998 ] 15 号	上海市金山区人民政府
专项扶持基金	=	=			
合计	<u>136,000.00</u>	<u>289,308.00</u>			

## 34、收到的其他与经营活动有关的现金

其中价值较大的项目情况如下：

项目名称	本期数
派遣费收回	1,940,475.20
保险公司退保	361,600.00
水电费收回	348,341.07

## 35、支付的其他与经营活动有关的现金:

其中价值较大的项目情况如下：

项目名称	本期数
运输费	1,366,835.82
手续费	1,132,490.46
董事会费	935,780.60
差旅费	657,241.73
研究开发费	524,063.17
审计费	499,524.28

## 36、支付的其他与筹资活动有关的现金:

其中价值较大的项目情况如下:

项目名称	本期数
向红十字会捐赠	150,000.00

## (六)、母公司财务报表主要项目附注

## 1、应收账款

账龄	余额	期末数		坏账准备	余额	年初数		坏账准备
		占应收账款 总额比例 (%)	坏账准备 计提比例 (%)			占应收账款 总额比例 (%)	坏账准备 计提比例 (%)	
6个月以内	-	-	-	-	81,377.27	92.77	-	-
1年以内	-	-	-	-	-	-	2.00	-
1-2年	-	-	-	-	6,339.00	7.23	20.00	1,267.80
2-3年	-	-	-	-	-	-	40.00	-
3年以上	-	-	-	-	=	-	<u>95.00</u>	=
合计	-	-	-	-	<u>87,716.27</u>	100.00	<u>1.45</u>	<u>1,267.80</u>

本项目期末数中无应收关联方的欠款。

## 2、其他应收款

账龄	余额	期末数		坏账准备	余额	年初数		坏账准备
		占其他应收款 总额比例 (%)	坏账准备 计提比例 (%)			占其他应收款 总额比例 (%)	坏账准备 计提比例 (%)	
1年以内	103,151.43	1.17	-	-	26,594.78	0.29	-	-
1-2年	-	-	-	-	8,700,000.00	95.73	99.43	8,650,000.00
2-3年	8,700,000.00	98.83	99.43	8,650,000.00	-	-	-	-
3年以上	=	=	=	=	<u>361,600.00</u>	<u>3.98</u>	=	=
合计	<u>8,803,151.43</u>	<u>100.00</u>	<u>98.26</u>	<u>8,650,000.00</u>	<u>9,088,194.78</u>	<u>100.00</u>	<u>95.18</u>	<u>8,650,000.00</u>

## 其他应收款期末数中金额较大的债务人情况：

债务人名称	期末欠款余额	性质或内容	欠款时间（账龄）
绍兴市虹太电器厂	8,650,000.00	封存设备出售款	2 - 3 年
职工购房借款	50,000.00	职工购房借款	2 - 3 年

本项目期末数中欠款金额前五名的欠款金额合计为 8,720,200.00 元，占其他应收款总额的比例为 99.06%。

## 3、长期投资

## (1) 明细项目如下：

项目	金 额				减值准备				合计	期末数
	年初数	本期增加	本期减少	期末数	年初数	本期增加	因资产价值回升转回数	本期减少其他原因转出数		
一、长期股权投资（权益法）	1,544,154,460.39	164,744,997.95	201,330,612.24	1,507,568,846.10	-	-	-	-	-	-
其中：对子公司投资	1,402,546,895.94	164,261,210.62	190,414,111.83	1,376,393,994.73	-	-	-	-	-	-
对联营企业投资	141,607,564.45	483,787.33	10,916,500.41	131,174,851.37	-	-	-	-	-	-
二、长期股权投资（成本法）	18,385,216.55	-	2,694,162.00	15,691,054.55	1,894,435.37	146,232.19	66,268.80	-	66,268.80	1,974,398.76
其中：股票投资	18,285,216.55	-	2,694,162.00	15,591,054.55	1,894,435.37	146,232.19	66,268.80	-	66,268.80	1,974,398.76
其他长期股权投资	<u>100,000.00</u>	=	=	<u>100,000.00</u>	=	=	=	=	=	=
合 计	<u>1,562,539,676.94</u>	<u>164,744,997.95</u>	<u>204,024,774.24</u>	<u>1,523,259,900.65</u>	<u>1,894,435.37</u>	<u>146,232.19</u>	<u>66,268.80</u>	=	<u>66,268.80</u>	<u>1,974,398.76</u>

## (2) 长期股权投资（权益法）

## 长期股权投资（权益法）

被投资企业 名 称	与母公 司关系	投资 期限	占被投资 企业注册 资本的 比例(4)	初始投 资额	累计追加 投资额	损益调整额			投资准备		期末数 (12)=(5)+(6)+ (9)+(11)	
						本期 增减额	分得现金 红利额	投资处置 转出	累计 增减额	本期 增加额		累计 增加额
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
上海日立电 器有限公司	子公司	不约定	75%	641,822,523.70	324,281,922.29	156,879,167.32	182,782,500.00	-	334,652,036.39	-	-	1,300,756,482.38
上海森林电 器有限公司	子公司	不约定	75%	336,992,845.47	938,193.01	-4,750,000.00	-	-	-286,645,099.64	-	84,968.48	51,370,907.32
上海金旋房 地产开发经 营有限公司	子公司	不约定	100%	17,300,000.00	-	1,600,242.62	-	-	-6,094,240.94	-	1,050,800.00	12,256,559.06
上海海立铸 造有限公司	子公司	18 年	80%	6,160,000.00	18,400,000.00	3,275,187.87	2,795,530.06	-	9,314,918.93	-	1,241,560.72	35,116,479.65



海立股份 2005 年半年度报告

上海海立特种制冷设备有限公司	子公司	20 年	70%	1,450,000.00	5,608,225.34	2,100,107.06	2,174,989.85	-	3,011,968.61	-	-	10,070,193.95
上海海韵人造花有限公司	子公司	10 年	80%	800,000.00	-	32,209.41	54,053.02	-	81,368.84	-	-	881,368.84
上海海立集团贸易有限公司	子公司	10 年	80%	4,000,000.00	-	374,296.34	760,000.00	-	512,164.07	-	-	4,512,164.07
上海扎努西电气机械有限公司	联营公司	50 年	35%	79,690,078.30	-	-2,916,500.41	-	-	-60,724,358.97	-	139,684.04	19,105,403.37
日立海立汽车部件(上海)有限公司	联营公司	20 年	33.33%	28,969,150.00	28,968,800.00	-8,000,000.00	-	-	-13,168,927.41	-	23,262.67	44,792,285.26
上海海立中野冷机有限公司	联营公司	25 年	43%	<u>70,949,674.92</u>	<u>-5,971,058.00</u>	<u>431,098.59</u>	-	-	<u>3,088,877.04</u>	-	-	<u>68,067,493.96</u>
小计				<u>1,188,134,272.39</u>	<u>372,226,082.64</u>	<u>153,775,808.80</u>	<u>188,567,072.93</u>	=	<u>-15,971,293.08</u>	=	<u>2,540,275.91</u>	<u>1,546,929,337.86</u>

股权投资差额

被投资企业名称	初始金额	形成原因	摊销期限	本期摊销额	摊余金额
上海日立电器有限公司	36,940,777.70	注 1	10 年	1,847,038.90	12,800,746.78
上海森林电器有限公司	-61,109,033.38	注 2	10 年	-	-51,370,907.32
上海海立中野冷机有限公司	<u>-1,053,774.92</u>	注 3	10 年	<u>-52,688.74</u>	<u>-790,331.22</u>
小计	<u>-25,222,030.60</u>			<u>1,794,350.16</u>	<u>-39,360,491.76</u>

注 1：包括①初始投资时汇兑差额（人民币 29,300,308.24 元），及 2002 年收购国投机轻持有上海日立电器有限公司的 8% 股权时，所支付的价款与购买日日立电器所有者权益中公司所占 8% 份额的差额（人民币 7,640,469.46 元），计入本科目。

注 2：包括①2001 年 1 月收购日本三菱电机株式会社持有上海森林电器有限公司的 50% 股权时，所支付的价款与购买日森林电器所有者权益中公司所占 50% 份额的差额（人民币 -71,811,459.33 元），及 ②因会计政策变更追溯调减公司下属子公司上海森林电器有限公司以前年度净资产，致使公司重新确认①中的股权投资差额所形成的补记差额（人民币 6,890,618.96 元），及 2004 年 12 月 30 日收购上海轻工控股（集团）公司持有上海森林电器有限公司 6% 股权时，所支付的价款与购买日森林电器所有者权益中公司增持的 6% 份额的差额（人民币 3,811,806.99 元）计入本科目。由于本公司对上海森林电器有限公司的长期股权投资账面价值年初已减至零，因此本期不对股权投资差额进行摊销。

注 3：2002 年 12 月底向上海双鹿电冰箱有限公司收购上海海立中野冷机有限公司的 43% 股权时所支付的价款与购买日上海海立中野冷机有限公司的所有者权益中本公司所占 43% 份额的差额 -1,053,774.92 元，计入本科目。

## (3) 长期股权投资 (成本法)

## 股票投资

被投资企业名称	股份类别	股票数量	占被投资企业注册资本的比例	初始投资成本
(1)上海丰华圆珠笔股份有限公司	法人股	475,200	小于 5%	1,650,000.00
(2)冠城大通股份有限公司	法人股	532,480	小于 5%	295,454.55
(3)上海新锦江国际实业投资股份有限公司	法人股	1,881,792	小于 5%	4,622,000.00
(4)上海第一食品商店股份有限公司	法人股	2,309,163	小于 5%	1,640,000.00
(5)上海轮胎橡胶(集团)股份有限公司	法人股	71,500	小于 5%	340,000.00
(6)上海嘉宝实业(集团)股份有限公司	法人股	74,880	小于 5%	182,000.00
(7)上海原水股份有限公司	法人股	220,000	小于 5%	600,000.00
(8)天地源股份有限公司	法人股	198,000	小于 5%	554,400.00
(9)上海百联集团股份有限公司	法人股	2,241,641	小于 5%	4,547,200.00
(10)上海三毛纺织股份有限公司	法人股	147,840	小于 5%	440,000.00
(11)上海棱光实业股份有限公司	法人股	136,620	小于 5%	110,000.00
(12)上海电器股份有限公司	法人股	120,000	小于 5%	440,000.00
(13)上海三爱富新材料股份有限公司	法人股	<u>171,608</u>	小于 5%	<u>170,000.00</u>
小计		<u>8,580,724</u>		<u>15,591,054.55</u>

被投资企业名称	年初数	本期增加数	减值准备		合计	期末数	减值准备计提原因
			因资产价值回升转回数	本期减少数 其他原因转出数			
(1)上海丰华圆珠笔股份有限公司	1,022,736.00	-	20,908.80	-	20,908.80	1,001,827.20	预计收回价值低于账面成本
(2)上海轮胎橡胶(集团)股份有限公司	243,403.60	-	12,798.60	-	12,798.60	230,605.00	
(3)上海嘉宝实业(集团)股份有限公司	66,834.56	3,744.00	-	-	-	70,578.56	
(4)天地源股份有限公司	193,901.40	-	9,761.40	-	9,761.40	184,140.00	
(5)上海三毛纺织股份有限公司	68,359.81	142,488.19	-	-	-	210,848.00	
(6)上海棱光实业股份有限公司	110,000.00	-	-	-	-	110,000.00	

(7)上海电器股份有限公司	<u>189,200.00</u>	=	<u>22,800.00</u>	=	<u>22,800.00</u>	<u>166,400.00</u>
小计	<u>1,894,435.37</u>		<u>146,232.19</u>		<u>66,268.80</u>	<u>1,974,398.76</u>

#### 其他长期股权投资（成本法）

被投资企业名称	投资期限	投资金额	占被投资企业注册资本的比例
二轻销售公司	24 年	100,000.00	0.36%

投资变现不存在重大限制。

累计投资期末数占期末净资产的比例为 111.92%。

#### 4、主营业务收入和主营业务成本

主营业务种类	营业收入		营业成本		营业毛利	
	本期数	上年同期数	本期数	上年同期数	本期数	上年同期数
汽车配件销售	<u>4,924,427.52</u>	<u>6,394,221.89</u>	<u>4,543,004.43</u>	<u>5,596,607.28</u>	<u>381,423.09</u>	<u>797,614.61</u>
合计	<u>4,924,427.52</u>	<u>6,394,221.89</u>	<u>4,543,004.43</u>	<u>5,596,607.28</u>	<u>381,423.09</u>	<u>797,614.61</u>

#### 5、投资收益

项 目	本期数	上年同期数
股票投资收益	465,432.60	13,200.60
在按权益法核算的被投资公司的净损益中所占的份额	153,775,808.80	141,451,794.28
股权投资差额摊销	-1,794,350.16	-1,794,350.16
股权投资转让损益	-694,162.00	420,000.00
长期投资减值准备	-79,963.39	-
合计	<u>151,672,765.85</u>	<u>140,090,644.72</u>

投资收益的汇回不存在重大限制。

## (七)、关联方关系及其交易的披露

## 1、存在控制关系的关联方情况

## (1) 存在控制关系的关联方情况

企业名称	注册地址	主营业务	与本企业 关系	经济性质 或类型	法定 代表人
上海轻工控股(集团)公司	中国上海	市国资委授权范围内的国有资产经营与管理、实业投资、国内贸易(除专项规定)	母公司	国有企业 (非公司法人)	吕永杰
上海日立电器有限公司	中国上海	生产房间用空调压缩机及其他家电产品,销售自产产品	子公司	有限责任公司	俞友涌
上海森林电器有限公司	中国上海	开发制造制冷压缩机及相关产品,销售自产产品	子公司	有限责任公司	俞友涌
上海金旋房地产开发经营公司	中国上海	房地产经营、开发、房地产咨询等	子公司	集体企业 (非公司法人)	钱国强
上海海立铸造有限公司	中国上海	铸造件、五金加工、热处理、机械加工	子公司	有限责任公司	冯家伟
上海海韵人造花有限公司	中国上海	塑料花、涤纶花、塑料制品	子公司	有限责任公司	胡伟建
上海海立特种制冷设备有限公司	中国上海	制冷、温度调节控制设备及相关产品的制造、安装等	子公司	有限责任公司	沈建芳
上海海立集团贸易有限公司	中国上海	经营各类商品和技术的进出口,制冷设备及配件、五金交电、机电设备及配件等的销售	子公司	有限责任公司	李黎

## (2) 存在控制关系的关联方的注册资本及其变化情况

企业名称	年初数	本期增加	本期减少	期末数
上海轻工控股(集团)公司	365,330 万			365,330 万
上海日立电器有限公司	USD 15,904 万			USD 15,904 万
上海森林电器有限公司	USD6,000 万			USD6,000 万
上海金旋房地产开发经营公司	1,730 万			1,730 万
上海海立铸造有限公司	3,070 万			3,070 万
上海海韵人造花有限公司	100 万			100 万
上海海立特种制冷设备有限公司	1,000 万			1,000 万
上海海立集团贸易有限公司	500 万			500 万

## (3) 存在控制关系的关联方所持股份或权益及其变化情况

企业名称	年初数		本期增加		本期减少		期末数	
	金 额	%	金 额	%	金 额	%	金 额	%
上海轻工控股(集团)公司	14,400 万	31.53					14,400 万	31.53
上海日立电器有限公司	USD11,928 万	75					USD11,928 万	75
上海森林电器有限公司	USD4,500 万	75					USD4,500 万	75
上海金旋房地产开发经营公司	1,730 万	100					1,730 万	100
上海海立铸造有限公司	2,456 万	80					2,456 万	80
上海海韵人造花有限公司	80 万	80					80 万	80
上海海立特种制冷设备有限公司	700 万	70					700 万	70
上海海立集团贸易有限公司	400 万	80					400 万	80

## 2、不存在控制关系的关联方情况

企业名称	与本企业的关系
上海海立中野冷机有限公司	联营企业
上海扎努西电气机械有限公司	联营企业
日立海立汽车部件(上海)有限公司	联营企业

## 3、关联方交易

## (1) 采购货物

本公司 2005 年上半年度和 2004 年上半年度向关联方采购货物的有关明细资料如下(单位:元):

企业名称	2005 年上半年			企业名称	2004 年上半年		
	金额	占年度购货百分比(%)	计价标准		金额	占年度同期购货百分比(%)	计价标准
上海扎努西电气机械有限公司	5,538,421.47	0.28	市价	上海扎努西电气机械有限公司	-	-	
上海海立集团贸易有限公司	1,338,365.65	0.07	市价	上海海立集团贸易有限公司	14,235,441.88	1.19	
上海海立特种制冷设备有限公司	16,068.38	小于 0.01	市价	上海海立特种制冷设备有限公司	180,000.00	0.02	

本公司向关联方采购货物的价格由市场价格决定。2005 年上半年度和 2004 年上半年度本公司向关联方采购货物的价格与市价相一致。

## (2) 销售货物

本公司 2005 年上半年度和 2004 年上半年度向关联方销售货物有关明细资料如下(单位:元):

企业名称	2005 年上半年			企业名称	2004 年上半年		
	金额	占年度销货百分比(%)	计价标准		金额	占年度销货百分比(%)	计价标准
上海海立特种制冷设备有限公司	-	-		上海海立特种制冷设备有限公司	69,085.47	小于 0.01	市价
上海扎努西电气机械有限公司	2,516,709.12	0.10	市价	上海扎努西电气机械有限公司	2,061,849.80	0.09	市价

本公司销售给关联企业的产品价格由市场价格规定。2005 年上半年度和 2004 年上半年度内本公司销售给关联企业产品价格无高于或低于本公司正常售价的情况。

## (3) 本公司与关联方应收应付款项余额

2005 上半年末和 2004 年末与关联方应收应付款项余额(单位:元)

项 目	期末数(金额)		占全部应收(付)款项余额的比重(%)	
	2005 年上半年	2004 年	2005 年上半年	2004 年
应收账款:				
上海扎努西电气机械有限公司	3,067,131.55	2,837,223.88	0.41	1.03
应收票据:				
上海扎努西电气机械有限公司	-	872,800.00	-	0.21
上海海立特种制冷设备有限公司	-	400,000.00	-	0.10
预付账款:				
上海扎努西电气机械有限公司	-	1,883,654.38		12.17
应付票据:				
上海海立集团贸易有限公司	600,816.13	-	0.30	-
应付账款:				

上海扎努西电气机械有限公司	66,298.75	-	0.01	-
上海海立集团贸易有限公司	23,240.00	-	小于 0.01	0.94

#### (4) 其他应披露事项

##### 本公司与关联方的担保事项

a. 本公司为下述合并范围内子公司向金融机构借款提供连带责任保证，金额共计 21,458.71 万元。

企业名称	2005 年上半年末余额	2004 年末余额
上海森林电器有限公司	186,587,100.00 *	369,829,500.00
上海海立铸造有限公司	28,000,000.00	29,600,000.00

\*本公司为上海森林电器有限公司提供借款保证金额为 18,658.71 万元；本公司为上海森林电器有限公司开具的银行承兑汇票提供最高额 7,500 万元保证，实际保证金额为 6,356 万元；本公司还为上海森林电器有限公司开具的信用证提供了最高额 100 万美元的保证，实际保证金额为人民币 816 万元。

b. 本公司为以下公司的银行借款提供保证：

企业名称	2005 年上半年末余额	2004 年末余额
上海扎努西电气机械有限公司	93,500,000.00 *1	99,000,000.00
上海海立特种制冷设备有限公司	10,000,000.00	4,000,000.00
上海海立集团贸易有限公司	2,000,000.00 *2	2,000,000.00

\*1 本公司除上述为上海扎努西电气机械有限公司（下称“扎努西”）向金融机构的 9,350 万元借款提供保证外，还为其开具的银行承兑汇票提供最高额 1,000 万元保证，实际保证金额为 1,000 万元。

同时，扎努西向本公司提供了反担保承诺，扎努西承诺以其拥有的沪房地市字（2001）第 00595 号 2001006054 房产的 30% 产权为反担保物，反担保总金额为 10,350 万元。

\*2 本公司除上述为上海海立集团贸易有限公司向金融机构的 200 万元借款提供保证外，还为其开具的银行承兑汇票提供保证，保证金额为 479 万元。

c. 本公司向以下公司收取房屋租赁费：

企业名称	2005 年上半年度	2004 年上半年度
上海海韵人造花有限公司	139,855.20	-

上海海立特种制冷设备有限公司	202,422.00	331,890.00
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#### (八)、或有事项

1、本公司为下述单位向金融机构借款提供保证，金额共计 10,550 万元。

企业名称	2005 年上半年末余额	2004 年末余额
上海扎努西电气机械有限公司	93,500,000.00 *1	99,000,000.00
上海海立特种制冷设备有限公司	10,000,000.00	4,000,000.00
上海海立集团贸易有限公司	2,000,000.00 *2	2,000,000.00

\*1 本公司除上述为上海扎努西电气机械有限公司（下称“扎努西”）向金融机构的 9,350 万元借款提供保证外，还为其开具的银行承兑汇票提供最高额 1,000 万元保证，实际保证金额为 1,000 万元。

同时，扎努西向本公司提供了反担保承诺，扎努西承诺以其拥有的沪房地市字（2001）第 00595 号 2001006054 房产的 30% 产权为反担保物，反担保总金额为 10,350 万元。

\*2 本公司除上述为上海海立集团贸易有限公司向金融机构的 200 万元借款提供保证外，还为其开具的银行承兑汇票提供保证，保证金额为 479 万元。

2、已贴现、背书未到期商业承兑汇票情况：

	2005 年上半年末	2004 年上半年末
已贴现未到期商业承兑汇票	28,202,741.00	
已背书未到期商业承兑汇票		172,440,187.14

3、上海市青浦区农村信用合作社联社诉公司的下属子公司上海金旋房地产开发经营公司(以下简称“金旋房产”)返还票据款案在 2004 年年报已有详细披露。

上海市第二中级人民法院于 2003 年 11 月 24 日作出民事裁定书，裁定上海市第二中级人民法院的（2002）沪二中民三（商）初字第 376 号民事判决书中止执行。目前本案无进一步的发展。

#### (九)、承诺事项

公司名称	已签约承诺事项	2005 年下半年承诺支付金额
上海日立电器有限公司	在建工程采购	人民币 66,392,800.00 元



上海日立电器有限公司                      在建工程采购                      美元7,300,000.00元

#### (十)、资产负债表日后事项

1、本公司于 2005 年 7 月 22 日为联营公司上海扎努西电气机械有限公司银行贷款增加担保 20,000,000.00 元，担保期限为 6 个月。

2、2004 年度利润实际分配情况：根据股东大会决议，按上年度的税后利润 10%、10% 分别提取法定盈余公积和公益金后，以 2004 年末股本为基数，分配普通股股利 0.2 元/股(含税)，股权除息日为 2005 年 7 月 20 日，A、B 股现金红利发放日分别为 2005 年 7 月 26 日及 2005 年 7 月 29 日。

#### (十一)、其他重要事项

##### 非经常性损益对本公司合并净利润的影响

根据证监会发布的《公开发行证券的公司信息披露规范问答第 1 号—非经常性损益（2004 年修订）》的规定，非经常性损益是指公司发生的与经营业务无直接关系，以及虽与经营业务相关，但由于其性质、金额或发生频率，影响了真实、公允地反映公司正常盈利能力的各项收入、支出。非经常性损益对本公司合并净利润的影响如下表所示：

项目性质	具体业务内容	对本期合并净利润的影响金额	对上年同期合并净利润的影响金额
财务费用	资金占用收益	1,041,285.37	1,088,404.52
投资收益	处置及收回股权收益	-694,162.00	420,000.00
存货跌价准备转回	资产价值回升转回	156,649.19	
补贴收入	政府补贴	72,896.00	231,446.40
长期投资减值准备转回	资产价值回升转回	66,268.80	
营业外收支	资产减值准备转回数	360,000.00	
营业外收支	其他	<u>-641,327.96</u>	<u>-276,720.50</u>
合计		<u>361,609.40</u>	<u>1,463,130.42</u>

#### (十二)、财务报表的批准报出

本财务报表业经本公司第四届董事会第二次会议于 2005 年 8 月 10 日批准报出。

## (十三)、补充资料

## 1、利润表附表

报告期利润	净资产收益率		每股收益	
	全面摊薄法	加权平均法	全面摊薄法	加权平均法
主营业务利润	34.19%	33.69%	1.01	1.01
营业利润	21.27%	20.96%	0.63	0.63
净利润	12.94%	12.75%	0.38	0.38
扣除非经常性损益后的净利润	12.91%	12.72%	0.38	0.38

## 3、资产减值准备明细表

## 合并资产减值表

项目	年初余额	本期增加数	本期转回(减少)数			期末余额
			因资产价值回升转回数	其他原因转出数	合计	
一. 坏账准备合计	15,813,042.8	162,388.4		1,267.8	1,267.8	15,974,163.5
其中：应收账款	7,163,042.8	162,388.4		1,267.8	1,267.8	7,324,163.5
其他应收款	8,650,000.0					8,650,000.0
二. 短期投资跌价准备合计						
其中：股票投资						
债券投资						
三. 存货跌价准备合计	20,044,328.2	2,834,853.0	208,865.5	7,937,354.9	8,146,220.5	14,732,960.7
其中：库存商品	4,120,058.2	2,834,853.0	208,865.5	3,759,966.4	3,968,832.0	2,986,079.2
在产品	384,965.2			384,965.2	384,965.2	
原材料	15,539,304.7			3,792,423.3	3,792,423.3	11,746,881.4
四. 长期投资减值准备合计	1,894,435.3	146,232.1	66,268.8		66,268.8	1,974,398.7
其中：长期股权投资	1,894,435.3	146,232.1	66,268.8		66,268.8	1,974,398.7
长期债权投资						
五. 固定资产减值准备合计	9,388,544.2			32,817.0	32,817.0	9,355,727.2
其中：机器设备	6,803,201.6					6,803,201.6
运输设备						
办公设备	108,806.1			32,817.0	32,817.0	75,989.1
	2,476,536.4					2,476,536.4

六. 无形资产减值准备						
其中：专利权						
商标权						
七. 在建工程减值准备	14,132,905.5		360,000.0	1,767,100.9	2,127,100.9	12,005,804.5
八. 委托贷款减值准备						
资产减值合计	61,273,256.29	3,143,473.64	635,134.39	9,738,540.78	10,373,675.17	54,043,054.76

母公司资产减值表

项目	期初余额	本期增加数	本期减少数			期末余额
			因资产价值回升转回数	其他原因转出数	合计	
一. 坏账准备合计	8,651,267.80			1,267.80	1,267.80	8,650,000.00
其中：应收账款	1,267.80			1,267.80	1,267.80	
其他应收款	8,650,000.00					8,650,000.00
二. 短期投资跌价准备合计						
其中：股票投资						
债券投资						
三. 存货跌价准备合计						
其中：库存商品						
在产品						
原材料						
四. 长期投资减值准备合计	1,894,435.37	146,232.19	66,268.80		66,268.80	1,974,398.76
其中：长期股权投资	1,894,435.37	146,232.19	66,268.80		66,268.80	1,974,398.76
长期债权投资						
五. 固定资产减值准备合计	1,932,135.93			32,817.00	32,817.00	1,899,318.93
其中：房屋、建筑物						
机器设备	1,821,539.35					1,821,539.35
运输设备						
办公设备	108,806.17			32,817.00	32,817.00	75,989.17
其他设备	1,790.41					1,790.41
六. 无形资产减值准备						
其中：专利权						

商标权						
七. 在建工程减值准备	360,000.00		360,000.00		360,000.00	
八. 委托贷款减值准备						
资产减值合计	12,837,839.10	146,232.19	426,268.80	34,084.80	460,353.60	12,523,717.69

### 3、变动重大的报表项目说明：

(1) 货币资金期末数为 32,386 万元，比年初 20,140 万元增长了 60.80%，主要是由于本期货款回笼收到的银行票据增加了贴现金额所致。

(2) 应收帐款期末数为 74,787 万元，比年初 27,660 万元增长了 170.38%，主要是由于本期销量增加，因货款回收有一定周期，而增加了应收账款。

(3) 在建工程期末数为 34,995 万元，比年初 19,430 万元增长了 80.11%，主要是由于本期子公司的科技大楼项目、TH 增产项目、SL/TL 二期项目、SG 扩产项目的工程投入增加所致。

(4) 应付票据期末数为 19,971 万元，比年初 4,130 万元增长了 383.55%，主要是由于本期产量增长相应增加了原材料采购量，公司较多采用票据支付方式所致。

(5) 经营活动产生的现金流量净额本期为 47,774 万元，较上年同期 20,364 万元增长了 134.60%，主要是本期货款回笼收到的银行票据贴现金额增加了现金流入所致。

## 八、备查文件目录

- (一) 载有董事长签名的半年度报告文本；
- (二) 载有单位负责人、财务负责人、会计机构负责人签名并盖章的财务报告文本；
- (三) 报告期内在中国证监会指定报刊上公开披露过的所有文件文本；
- (四) 公司章程文本；
- (五) 在香港《大公报》上披露的公司半年度报告文本；
- (六) 其他有关资料。

上海海立（集团）股份有限公司

董事长：俞友涌

2005 年 8 月 12 日

股份有限公司二 五年上半年度会计报表  
资产负债表

会股地半年01表  
金额单位：元

编制单位：上海海立（集团）股份有限公司

2005年6月30日

资 产	注释号	行次	期末数		年初数		负债和股东权益	注释号	行次	期末数		年初数	
			母公司	合并	母公司	合并				母公司	合并		
流动资产：							流动负债：						
货币资金	1	1	196,323,248.83	323,860,213.68	17,879,196.69	201,402,281.38	短期借款	13	61	265,000,000.00	713,532,163.97	265,000,000.00	930,912,500.00
短期投资		2					应付票据	14	62	600,816.13	199,707,024.17		41,300,000.00
应收票据	2	3	4,000,000.00	364,084,063.12	400,000.00	409,746,247.70	应付帐款	15	63	1,800.00	612,809,155.59	4,300.00	504,534,848.00
应收股利		4					预收帐款	16	64		36,397,360.63		68,285,174.97
应收利息		5					应付工资		65		69,687,413.47		60,556,135.97
应收帐款	3	6		747,870,812.15	86,448.47	276,597,395.30	应付福利费		66	6,571,888.86	77,639,731.49	6,571,888.86	60,989,569.49
其他应收款	4	7	153,151.43	20,304,792.70	438,194.78	15,070,533.10	应付股利	17	67	92,889,613.29	92,889,613.29	1,573,747.49	1,573,747.49
预付帐款	5	8		26,666,439.34		15,477,498.48	应付利息		68				
应收补贴款		9					应交税金	18	69	-2,533,308.59	20,533,334.91	-3,052,380.98	-14,061,413.70
存 货	6	10	8,724,203.48	512,823,598.94	11,948,705.51	647,622,210.17	其他应交款	19	70		12,704.64		40,461.54
待摊费用	7	11			3,838.00	238,511.55	其他应付款	20	71	3,030,015.68	64,220,644.55	2,786,206.63	46,641,250.20
							预提费用	21	72		16,416,469.01	390,087.12	2,100,518.82
一年内到期的长期股权投资		21					预计负债		73				
其他流动资产		24					递延收益		74				
流动资产合计		30	209,200,603.74	1,995,609,919.93	30,756,383.45	1,566,154,677.68							
							一年内到期的长期负债	22	78		6,000,000.00		42,600,000.00
							其他流动负债		79				
长期投资：							流动负债合计		80	365,560,825.37	1,909,845,615.72	273,273,849.12	1,745,472,792.78
长期股权投资	8	31	1,521,285,501.89	121,785,073.48	1,560,645,241.57	137,321,380.91	长期负债：						
长期债权投资		32					长期借款	23	81		150,500,000.00		4,000,000.00
长期投资合计	8	33	1,521,285,501.89	121,785,073.48	1,560,645,241.57	137,321,380.91	应付债券		82				
其中：合并价差（贷差以“-”号表示，合并报表填列）		34		-38,570,160.54		-36,723,121.64	长期应付款		83				
		35					专项应付款		84				
固定资产：							其他长期负债		85		61,228,220.90		61,228,220.90
固定资产原价	9	39	46,063,765.55	3,108,648,816.20	46,125,571.37	3,113,902,059.42	长期负债合计		87		211,728,220.90		65,228,220.90
减：累计折旧	9	40	23,440,714.42	1,798,948,205.36	22,655,289.71	1,612,200,247.29	递延税项：		88				
固定资产净值	9	41	22,623,051.13	1,309,700,610.84	23,470,281.66	1,501,701,812.13	递延税款贷项		89				
减：固定资产减值准备	9	42	1,899,318.93	9,355,727.22	1,932,135.93	9,388,544.22	负债合计		90	365,560,825.37	2,121,573,836.62	273,273,849.12	1,810,701,013.68
固定资产净额	9	43	20,723,732.20	1,300,344,883.62	21,538,145.73	1,492,313,267.91							
工程物资		44					少数股东权益（合并报表填列）		91		453,538,820.51		454,788,281.38
法定代表人：俞友涌	10	45		349,946,293.89	453,932.16	194,295,578.41	（签名并盖章）						
固定资产清理		46					股东权益：						
固定资产合计		50	20,723,732.20	1,650,291,177.51	21,992,077.89	1,686,608,846.32	股 本	24	92	456,624,329.00	456,624,329.00	456,624,329.00	456,624,329.00
							资本公积	25	93	344,092,407.41	344,092,407.41	344,092,407.41	344,092,407.41
无形资产及其他资产：							盈余公积	26	94	169,408,209.34	354,831,820.04	169,408,209.34	303,344,497.69
无形资产	11	51		139,419,881.82		141,189,307.02	其中：法定公益金	26	95	84,704,104.67	86,416,364.72	84,704,104.67	85,862,332.66
长期待摊费用	12	52		20,796,046.59		19,560,159.94	减：未确认的投资损失（合并报表填列）		96				
其他长期资产		53					未分配利润	27	97	415,524,066.71	197,240,885.75	369,994,908.04	181,283,842.71
无形资产及其他资产合计		54		160,215,928.41		160,749,466.96							
递延税项：							外币报表折算差额（合并报表填列）		98				
递延税款借项		55					股东权益合计		99	1,385,649,012.46	1,352,789,442.20	1,340,119,853.79	1,285,345,076.81
资产总计		60	1,751,209,837.83	3,927,902,099.33	1,613,393,702.91	3,550,834,371.87	负债和股东权益总计		100	1,751,209,837.83	3,927,902,099.33	1,613,393,702.91	3,550,834,371.87

所附附注为本会计报表的组成部分

法定代表人：俞友涌  
（签名并盖章）

主管会计工作负责人：秦文君  
（签名并盖章）

会计机构负责人：刘惠诚  
（签名并盖章）

股份有限公司二 五年上半年度会计报表  
利润及利润分配表

会股地半年02表

编制单位：上海海立（集团）股份有限公司

2005年1-6月

金额单位：元

项 目	注释号	行次	本期实际数		上年同期实际数		项 目	注释号	行次	本期实际数		上年同期实际数	
			母公司	合并	母公司	合并				母公司	合并	母公司	合并
一、主营业务收入	28	1	4,924,427.52	2,518,898,664.93	6,394,221.89	2,172,040,735.84	六、可供分配的利润		25	506,848,932.51	356,300,584.51	341,953,426.50	167,937,433.49
减：主营业务成本	28	2	4,543,004.43	2,056,163,548.63	5,596,607.28	1,719,566,874.38	减：提取法定盈余公积		26		50,933,290.29		9,648,523.62
主营业务税金及附加	29	3		202,425.12		92,582.45	提取法定公益金		27		554,032.06		476,341.39
二、主营业务利润（亏损以“-”号填列）		4	381,423.09	462,532,691.18	797,614.61	452,381,279.01	提取职工奖励及福利基金（合并报表填列。 子公司为外商投资企业的项目）		28		16,247,510.61		6,114,788.15
加：其他业务利润（亏损以“-”号填列）	30	5	-4,339.00	15,536,273.65	1,246,462.67	2,591,165.69							
减：营业费用		6	12,000.00	68,573,928.28	404,130.10	87,958,374.88							
管理费用		7	9,446,900.15	95,079,095.69	10,005,730.85	93,075,821.15							
财务费用	31	8	6,121,293.16	26,718,834.38	5,811,018.76	31,438,212.74	七、可供股东分配的利润		35	506,848,932.51	288,565,751.55	341,953,426.50	151,697,780.33
三、营业利润（亏损以“-”号填列）		10	-15,203,109.22	287,697,106.48	-14,176,802.43	242,500,035.93	减：应付优先股股利		36				
加：投资收益（亏损以“-”号填列）	32	11	151,672,765.85	-10,081,831.96	140,090,644.72	-4,996,046.49	提取任意盈余公积		37				
补贴收入	33	12		136,000.00		289,308.00	应付普通股股利		38	91,324,865.80	91,324,865.80		
营业外收入		13	384,367.84	609,196.72	95,042.42	218,786.64	转作股本的普通股股利		39				
减：营业外支出		14		1,170,414.49	13,365.21	662,577.27	八、未分配利润（未弥补亏损以“-”号填列）		40	415,524,066.71	197,240,885.75	341,953,426.50	151,697,780.33
四、利润总额（亏损以“-”号填列）		15	136,854,024.47	277,190,056.75	125,995,519.50	237,349,506.81	补充资料：						
减：所得税		16		41,796,393.30		33,510,551.09	1.出售、处置部门或被投资单位所得收益		41	-694,162.00	-694,162.00	420,000.00	420,000.00
少数股东损益（合并报表填列）		17		60,376,921.65		54,621,530.42	2.自然灾害发生的损失		42				
加：未确认的投资损失（合并报表填列）		18				-1,466,290.53	3.会计政策变更增加（或减少）利润总额		43				
五、净利润（亏损以“-”号表示）		20	136,854,024.47	175,016,741.80	125,995,519.50	147,751,134.77	4.会计估计变更增加（或减少）利润总额		44				
加：年初未分配利润		21	369,994,908.04	181,283,842.71	215,957,907.00	20,186,298.72	5.债务重组损失		45				
其他转入		22					6.其他		46				

所附附注为本会计报表的组成部分

法定代表人：俞友涌  
(签名并盖章)

主管会计工作负责人：秦文君  
(签名并盖章)

会计机构负责人：刘惠诚  
(签名并盖章)

股份有限公司二 五年上半年会计报表  
现金流量表

会股地半年03表  
金额单位：元

编制单位：上海海立（集团）股份有限公司

2005年1-6月

项 目	注释号	行次	本期实际数		上年同期实际数		项 目	注释号	行次	本期实际数		上年同期实际数		补 充 资 料	注释号	行次	本期实际数		上年同期实际数		
			母公司金额	合并金额	母公司金额	合并金额				母公司金额	合并金额	母公司金额	合并金额				母公司金额	合并金额	母公司金额	合并金额	
一、经营活动产生的现金流量：							三、筹资活动产生的现金流量：							1. 将净利润调节为经营活动现金流量：							
销售商品、提供劳务收到的现金		1	1,848,607.46	1,823,024,828.15	9,285,648.29	1,455,570,874.38	吸收投资所收到的现金		26				14,872,660.00	净利润（亏损以“-”号填列）	43		136,854,024.47	175,016,741.80	125,995,519.50	147,751,134.77	
收到的税费返还		2		2,410,627.40		2,098,463.83	其中：子公司吸收少数股东权益性投资收到的现金		27				14,872,660.00	加：少数股东本期损益（亏损以“-”号表示）	44			60,376,921.65		54,621,530.42	
收到的其他与经营活动有关的现金		34	3	2,373,396.01	3,197,032.03	3,142,380.02	9,801,408.82	借款所收到的现金		28	30,000,000.00	466,577,650.00	195,000,000.00	560,648,460.00	减：未确认的投资损失	45					-1,466,290.53
经营活动现金流入小计		5	4,222,003.47	1,828,632,487.58	12,428,028.31	1,467,470,747.03	收到的其他与筹资活动有关的现金		29					加：计提的资产减值准备	46		-314,121.41	-7,230,201.53			
							筹资活动现金流入小计		30	30,000,000.00	466,577,650.00	195,000,000.00	575,521,120.00		47	831,673.71	188,419,986.01	799,228.98	165,321,161.36		
购买商品、接受劳务支付的现金		6	541,831.67	1,125,301,771.56	9,740,549.18	942,401,539.81								无形资产摊销	48		1,769,425.20		2,266,251.00		
支付给职工以及为职工支付的现金		7	4,734,168.44	137,610,094.21	5,504,570.41	118,914,929.35	偿还债务所支付的现金		31	30,000,000.00	573,088,500.00	155,000,000.00	630,882,688.00	长期待摊费用摊销	49		12,675,132.08		7,768,097.10		
支付的各项税费		8	346,322.62	77,475,625.22	214,413.11	179,958,802.71	分配股利、利润或偿付利息所支付的现金		32	6,585,975.00	81,174,484.93	6,213,801.25	52,083,174.23	待摊费用减少（减：增加）	50	3,838.00	238,511.55		287,443.55		
支付的其他与经营活动有关的现金		35	9	5,463,568.77	10,502,939.39	4,836,933.60	22,553,985.94	其中：支付少数股东的股利		33		61,626,382.52		27,234,093.14	预提费用增加（减：减少）	51	-390,087.12	12,138,454.27		28,612,294.69	
经营活动现金流出小计		10	11,085,891.50	1,350,890,430.38	20,296,466.30	1,263,829,257.81	支付的其他与筹资活动有关的现金		36	34		153,817.22			处置固定资产、无形资产和其他长期资产的损失（减：收益）	52	-35,050.84	2,335,867.88		569,707.58	
							其中：子公司依法减资支付给少数股东的现金		35						固定资产报废损失	53		6,230.00		24,730.60	
经营活动现金流量净额		11	-6,863,888.03	477,742,057.20	-7,868,437.99	203,641,489.22	筹资活动现金流出小计		36	36,585,975.00	654,416,802.15	161,213,801.25	682,965,862.23	财务费用	54	6,186,887.88	26,693,074.51	5,890,884.95	32,508,416.74		
							筹资活动产生的现金流量净额		40	-6,585,975.00	-187,839,152.15	33,786,198.75	-107,444,742.23	投资损失（减：收益）	55	-151,672,765.85	10,081,831.96	-140,090,644.72	4,996,046.49		
														递延税款贷项（减：借项）	56						
														存货的减少（减：增加）	57	3,224,502.03	137,255,993.43	-6,775,484.03	182,409,523.55		
							四、汇率变动对现金的影响		41	-3,130.18	497,019.17	-617.02	-840,592.79	经营性应收项目的减少（减：增加）	58	-1,794,097.95	-719,659,288.35	2,805,313.90	-512,667,128.77		
二、投资活动产生的现金流量：														经营性应付项目的增加（减：减少）	59	241,309.05	577,623,376.74	3,506,743.43	87,705,989.61		
收回投资所收到的现金		12	2,000,000.00	2,000,000.00	400,000.00	400,000.00	五、现金及现金等价物净增加额		42	178,444,052.14	123,787,932.30	69,828,671.72	41,338,591.11	其他	60						
取得投资收益所收到的现金		13	189,032,505.53	3,454,475.47	91,371,407.98	8,422,535.40								经营活动产生的现金流量净额	65	-6,863,888.03	477,742,057.20	-7,868,437.99	203,641,489.22		
处置固定资产、无形资产和其他长期资产所收回的现金		14	881,800.00	1,061,114.12	800.00	709,210.56								2. 不涉及现金收支的投资和筹资活动：							
收到的其他与投资活动有关的现金		15												债务转为资本	66						
投资活动现金流入小计		16	191,914,305.53	6,515,589.59	91,772,207.98	9,531,745.96								一年内到期的可转换公司债券	67						
														融资租入固定资产	68						
购建固定资产、无形资产其他长期资产所支付的现金		18	17,260.18	173,127,581.51	32,700.00	57,593,411.40								3. 现金及现金等价物净增加情况：							
投资所支付的现金		19			47,827,980.00	5,950,000.00								现金的期末余额	69	196,323,248.83	323,860,213.68	78,945,550.43	201,845,553.20		
支付的其他与投资活动有关的现金		20				5,897.65								减：现金的期初余额	70	17,879,196.69	200,072,281.38	9,116,878.71	160,506,962.09		
投资活动现金流出小计		22	17,260.18	173,127,581.51	47,860,680.00	63,549,309.05								加：现金等价物的期末余额	71						
														减：现金等价物的期初余额	72						
投资活动产生的现金流量净额		25	191,897,045.35	-166,611,991.92	43,911,527.98	-54,017,563.09								现金及现金等价物净增加额	73	178,444,052.14	123,787,932.30	69,828,671.72	41,338,591.11		

所附附注为本会计报表的组成部分

法定代表人：俞发涌  
(签名并盖章)

主管会计工作负责人：秦文君  
(签名并盖章)

会计机构负责人：刘惠诚  
(签名并盖章)

# **SHANGHAI HIGHLY (GROUP) CO., LTD.**

## **2005 INTERIM REPORT**

### **CHAPTER 1**

#### **IMPORTANT NOTES**

- I. The directors and the board of directors of the Company hereby warrant that there is no false statement, misleading representation, or material omission in this Report, and agree to be collectively and individually liable for the authenticity, accuracy and completeness of the content of this Report.
- II. All the directors were present at the Meeting of the Board of Directors
- III. The interim financial report of the company has not been audited.
- IV. The responsible person of the Company, Mr. Yu Youyong, the responsible person for accounting, Ms. Qin Wenjun, the responsible person of the accounting institution, Mr. Liu Huicheng hereby represent and warrant the authenticity and completeness of the financial report contained in this Report.

### **CHAPTER 2**

#### **BASIC INFORMATION OF THE COMPANY**

##### **I. Basic Information of the Company**

1. Legal Name in Chinese: 上海海立 (集团) 股份有限公司  
Legal Name in English: SHANGHAI HIGHLY (GROUP) CO.LTD  
Abbreviation of the Legal Name in English: HIGHLY
2. Listing place: Shanghai Stock Exchange  
Stock Name of A Share: Hai Li Gu Fen  
Stock Code of A Share: 600619  
Stock Name of B Share: Hai Li B Gu  
Stock Code of B Share: 900910
3. Registered Address: Plot 26, Jin Qiao Export Processing Zone, Pudong New Area, Shanghai, P.R.C.  
Principal Business Address: NO. 2555, Chang Yang Road, Shanghai, P.R.C  
Zip Code: 200090  
Website: [http:// www.highly.cc](http://www.highly.cc)  
E-mail: [heartfelt@highly.cc](mailto:heartfelt@highly.cc)
4. Legal Representative: Mr. Yu Youyong



5. Secretary of the Board of Director: Ms. Zhong Lei

Tel: (021) 6566 0000

Fax: (021) 6567 0941

E-mail: dongmi@highly.cc

Contact Address: NO.2555, Chang Yang Road, Shanghai, P.R.C.

6. Newspapers designated by the Company for information disclosure: Shanghai Securities News and Ta Kung Pao (Hong Kong)

The website designated by China Securities Regulatory Commission for the Company's Interim Report: [http:// www.sse.com.cn](http://www.sse.com.cn)

The Interim Report is available for inspection at the Company Office.

## II. Major Financial Data and Results

### 1. Major Financial Data and Results of the Company

(in RMB Yuan)

Major Financial Data	As of the end of this Report Period	As of the end of last year	Percentage of Change (%)
Current Assets	1,995,609,919.93	1,566,154,677.68	27.42
Current Liabilities	1,909,845,615.72	1,745,472,792.78	9.42
Total Assets	3,927,902,099.33	3,550,834,371.87	10.62
Shareholders' Equity (excluding minority shareholders' equity)	1,352,789,442.20	1,285,345,076.81	5.25
Net Assets per Share	2.96	2.81	5.25
Adjusted Net Assets per Share	2.92	2.77	5.35
	Report Period (from January to June)	January to June of last year	Percentage of Change (%)
Net Profit	175,016,741.80	147,751,134.77	18.45
Net Profit after Nonrecurring Gains and Losses	174,655,132.40	146,288,004.35	19.39
Earning per Share	0.383	0.324	18.45
Return on Equity (%)	12.94	12.15	0.79
Net Cash Flows from Operating Activities	477,742,057.20	203,641,489.22	134.60

## 2. Deduction of Nonrecurring Losses and Gains

(in RMB Yuan)

Nonrecurring Losses and Gains	Amount
Gains and losses from settlement of assets other than products of the Company	-694,162.00
Governmental subsidies	117,776.00
Payments and receipts of fees for use of funds calculated into the losses and gains of the current period	1,041,285.37
Other non-operating income and expenses after assets depreciation provision	-700,704.82
Carry-back of depreciation provisions allocated in previous years	582,917.99
Affection of income tax	14,496.86
<b>Total</b>	<b>361,609.40</b>

## CHAPTER 3

### CHANGES IN STOCK AND INFORMATION OF SHAREHOLDERS

#### I. Changes In Stock

There exists no change to the total share capital and equity structure of the Company during this Report Period.

#### II. Shareholders Information

1. As of the end of the Report Period, the number of shareholders of the Company was 36,966.

2. Top ten shareholders

(Unit: Share)

Name of Shareholder	Changes during the Report Period	Number of shares held at the end of the Report Period	Percentage (%)	Type of shares	Information about pledge or freeze	Nature of shareholder
Shanghai State-Owned Assets Supervision and Administration Commission	-	144,000,000	31.53	Non-tradable shares	-----	State-owned
Shanghai Jiushi Corporation	-	20,355,847	4.46	Non-tradable shares	-----	Domestic legal entity
Shanghai International Trust & Investment Corp.	-	8,030,880	1.76	Non-tradable shares	-----	Domestic legal entity

Industrial and Commercial Bank of China, No. 2 Shanghai Branch	-	6,927,242	1.52	Non-tradable shares	-----	Domestic legal entity
Shanghai New Industry Union (Group) Co. Ltd.	-	4,842,864	1.06	Non-tradable shares	-----	Domestic legal entity
Shanghai Shangli Industrial Development Cooperation Corp.	-	3,962,160	0.87	Non-tradable shares	-----	Domestic legal entity
Shanghai Electrical (Group) Corp.	-	3,723,408	0.82	Non-tradable shares	-----	Domestic legal entity
Shanghai Minte Investment Co., Ltd.	-	3,480,649	0.76	Non-tradable shares	-----	Domestic legal entity
Industrial and Commercial Bank of China, Pudong Branch	-	2,433,600	0.53	Non-tradable shares	-----	Domestic legal entity
Bank of Communications, Shanghai Branch	-	2,433,600	0.53	Non-tradable shares	-----	Domestic legal entity

Among the top ten shareholders, the Industrial and Commercial Bank of China, No.2 Shanghai Branch and the Industrial & Commercial Bank of China, Pudong Branch are subsidiaries of Industrial and Commercial Bank of China. Shanghai Jiushi Corporation holds 20% of the stock of Shanghai International Trust & Investment Corp. There exists no other affiliation or concerted action between the top ten shareholders.

As of the end of the Report Period, Shanghai Light Industry Holding (Group) Company was the only company holding more than 5% of the Company's stock. It holds 144,000,000 state-owned shares, which constitutes 31.53% of the Company's total share capital. During this Report Period, the number of shares held by Shanghai Light Industry Holding (Group) Company remains unchanged, and none of its shares are subject to pledge or freeze.

### 3. Top ten tradable share shareholders

(Unit: Share)

Name of Shareholder	Number of tradable shares held at the end of the Report Period	Class
GUOTAI JUNAN SECURITIES (HONGKONG) LIMITED	2,049,553	B share
TOYO SECURITIES ASIA LTD. A/C CLIENT	1,930,667	B share
WANG XIAO TIAN	1,674,000	B share

SHENYIN WANGUO - CITIBANK - UBS LIMITED	1,538,318	A share
MERRILL LYNCH FAR EAST LIMITED	1,281,986	B share
FEI BU QING	1,172,752	B share
NAITO SECURITIES CO., LTD.	1,047,045	B share
DRAGON BILLION CHINA FUND	800,819	B share
GUOTAI JUNAN - BANK OF COMMUNICATIONS - THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED	775,666	A share
ZHUANG MING DAO	769,964	B share

The Company is not aware of any affiliation or concerted action between the top ten tradable share shareholders.

4. During the Report period the controlling shareholder remains unchanged and there is no change of control.

#### CHAPTER 4

### INFORMATION OF DIRECTORS, SUPERVISORS, AND SENIOR MANAGEMENT

#### I. Changes in shares held by directors, supervisors and senior management personnel

(Unit: Share)

Name	Position	Shares held at the beginning of the Report Period	Shares held at the end of the Report Period	Addition and Deduction of the number of the shares	Causes
Feng Guo Dong	Director, Deputy General Manager	36,068	58,468	22,400	Acquired from open market
Li Li	Deputy General Manager	21,000	42,400	21,400	
Zhong Lei	Secretary of the Board of Directors	22,680	40,580	17,900	

## II. Appointment or dismissal of directors, supervisors and senior management personnel

1. On June 30, 2005, the 2004 Annual General Meeting of Shareholders of the Company adopted a resolution to appoint the following twelve persons to comprise of a new Board of Directors of the Company (the fourth one in history): Yu Youyong, Shen Jianfang, Gu Gongyun, Xu Fei, Luo Weide, Xu Hui, Zhang Jianwei, Jia Chunrong, Huang Hui, Wu Fusheng, Feng Guodong and Wen Hao.
2. On June 30, 2005, the Company's 2004 Annual General Meeting of Shareholders adopted the resolution to elect Zhang Zhaoqi, Lu Rong and Li Yijun as supervisors representing the shareholders, who shall, together with Lu Kangchu and Li Haibin elected as employee representatives by the Employee Representatives' General Meeting, compose the Company's fourth Board of Supervisors.
3. On June 30, 2005, as approved by the first meeting of the fourth session of the Board of Directors, Mr. Yu Youyong was elected the chairman of the board of directors, and Mr. Shen Jianfang was elected the vice chairman of the board of directors.
4. On June 30, 2005, as approved by the first meeting of the fourth session of the Board of Supervisors, Mr. Zhang Zhaoqi was elected the chairman of the Board of Supervisors.
5. On June 30, 2005, as approved by the first meeting of the fourth session of the Board of Directors, Mr. Shen Jianfang was engaged as the general manager of the Company, Mr. Feng Guodong and Mr Lili was engaged as the deputy general managers of the Company, Mr. Zheng Jiandong was engaged as the assistant to the general manager, Ms. Qin Wenjun was engaged as the Company's financial controller and chief accountant, and Ms. Zhong Lei was engaged as the secretary of the Board of Directors.

## CHAPTER V

### MANAGEMENT DISCUSSION AND ANALYSIS

#### I. Discussion and Analysis on Business Operation during Report Period

The total sales of air-conditioners in the market during the first half-year of 2005 were in general equivalent to that of the same period of last year. The total sales of air-conditioner compressors in the market had a 20% increase over the same period of last year, as a result of expansion of manufacture in the air-conditioner compressor industry since 2003. Market demand and supply of air-conditioner compressors are balanced generally in spite of the shortfall of supply to demand during the hot sales season. Through consolidation of Shanghai Hitachi Electrical Appliance Co., Ltd. and Shanghai Senlin Electrical Appliance Co., Ltd., the Company exerted its advantage of complete product lines and maintained its leading

positions in the market in terms of sales volume and market share. It is also notable that the sales of the “Highly” compressors occupied 89% of the total sales of compressors, with an increase of 47% over the that of last year, which promoted the Company’s “Highly” brand strategy while bringing profit to the Company.

During the first half year of 2005, the Company realized principal business revenue of RMB 2,518,900,000.00, with an increase of 15.97% over that of the same period of the previous year, and a net profit of RMB 175,020,000.00, with a significant increase of 18.45% over that of the same period of the previous year.

## II. Business Operation of the Company during Report Period

### 1. Scope and performance of principal business of the Company

#### (1) Performance of principal business of the Company

The principal business scope of the Company covers the manufacture and sales of air-conditioner compressors, refrigerator compressors and exsiccator compressors, and etc.

The Company manufactured 5,976,300 compressors in the first half year, including 5,774,400 air-conditioner compressors, which was a 17.14% increase over the same period of previous year, and realized a sales of 6,601,900 compressors, including 6,427,900 air-conditioner compressors, which was a 13.70% increase over the same period of previous year.

According to the statistics of China Household Electrical Appliances Association, the sales of the air-conditioner compressors of the Company in the first half year of 2005 constitutes a 22.43% share of the domestic market, including an export in number of 712,000 (an increase by 66.93% over the same period of previous year as far as export is concerned). The Company’s sales and export volumes both stayed at top one in the domestic industry.

#### (2) Industries or products which contribute more than 10% of the principal business revenue and the principal business profit of the Company during the Report Period

(in RMB Yuan)

	Principal business revenue	Principal business cost	Gross profit margin (%)	Increase or decrease of the principal business revenue by comparison with the same period of previous year (%)	Increase or decrease of the principal business cost by comparison with the same period of previous year (%)	Increase or decrease of the gross profit margin by comparison with the same period of previous year (%)
Breakdown according to industry						
Manufacturing industry	2,518,898,664.93	2,056,163,548.63	18.37	15.97	19.57	-2.46
Breakdown according to products						
Compressor	2,513,974,237.41	2,051,620,544.20	18.39	16.08	19.70	-2.47
In which	2,516,709.12	2,122,295.15	15.67	/	/	/

Affiliated transactions						
Pricing policy of affiliated transactions	The prices of the products sold by the Company to affiliated companies were determined according to market price, and were not higher or lower than the normal prices of the Company during the first half of 2005 and the first half of 2004.					

(3) Principal business breakdown according to regions

(in RMB Yuan)

Region	Principal Business Revenue	Increase or decrease of principal business revenue by comparison with the same period of the previous year (%)
Domestic	2,201,248,800.86	10.79
Overseas	317,649,864.07	71.61

(4) The total amount of affiliated transactions with respect to the sales of products and provision of services by the Company to majority shareholders and subsidiaries of such majority shareholders was zero during the Report Period.

(5) Business operation and achievements of major subsidiaries

(in 10,000 Yuan RMB or USD)

Name of company	Nature of business	Main products or services	Registered Capital	Scale of assets	Net profits
Shanghai Hitachi Electrical Appliance Co., Ltd.	Manufacturing Industry	air-conditioner compressor	USD15,904	RMB 298,577	RMB 22,542
Shanghai Senlin Electrical Appliance Co., Ltd.	Manufacturing Industry	air-conditioner compressor, refrigerator compressor, exsiccator compressor	USD6,000	RMB 82,855	RMB 3,768
Shanghai Highly Foundry Co., Ltd	Manufacturing Industry	foundry and processing of compressor casting machine	RMB3,070	RMB 13,984	RMB 409

(6) There exists no single subsidiary's investment return that has an effect over 10% (including 10%) upon the net profit of Company.

2. Difficulties and problems in operation and resolutions

The main problem during the operation is the challenge from the market and competitors of large compressors. The competitors in the compressor industry significantly improved their manufacture capacity of similar types of compressors, which resulted in major decline of sales of TH compressors, which are our highly profitable products; at the same time due to the current manufacture capacity, supply of compressors of SG, SD and SL series fell short of demand in hot sales season; also the prices of raw materials had increased. Therefore the gross profit margin in the first half-year has declined.

The Company took active measures in face of the change of market situations. The Company made adjusted its product portfolio and developed the market of medium and small compressors of SG, SD, SL series, which offset the decrease in sales of

TH compressors and helped to achieve 13.70% increase in the total sales amount of compressors during the first half year and maintained the Company's top position in the domestic market.

The increase of sales of SG, SD, SL serial compressors added pressure to the Company's manufacture capacity. The Company reorganized the business process of Shanghai Hitachi and Shanghai Senlin through Six Sigma management method, and established a market-oriented manufacturing organization system and made continuing efforts to optimise the manufacture process and explore manufacture resources. Thereby the Company achieved an increase of 21.2% in average daily manufacture volume and satisfied the market demand to the utmost extent possible. The Company has taken cost reducing measures including expenses reduction, products quality improvement, decreasing wastes, collective purchasing and etc, to have a more efficient control of the adverse effects over profits caused by continuing rise in raw material prices.

### III. Investment of the Company

1. During the Report Period, the Company did not use funds raised from the securities market. And no funds raised from the securities market in previous periods have used in the Report Period.
2. During the Report Period, no investment projects financed by funds other than publicly raised funds took place.

## CHAPTER 6

### IMPORTANT EVENTS

#### I. Corporation Governance

In accordance with the Share Listing Rules newly issued by Shanghai Securities Exchange and other relevant laws and regulations, the Company performed the information disclosure obligations seriously and ensured the veracity, timeliness and fairness of its information disclosure. The Company treasured the relationship management with the investors and kept the smoothness of the communication approach in order to ensure the investors of the Company information equally. The Shareholders' General Meeting, the Board of Directors and the Board of Supervisors of the Company have carried out their activities in strict compliance with the Articles of Association, the Regulations of Shareholders' General Meeting, the Regulations of Board of Directors and the Regulations of Board of Supervisors. In general terms, the corporate governance of the Company meets the requirements of the regulations.

II. On July 29, 2005, the Company completed the 2004 plan of profit distribution.

III. The Company will not carry out interim profit distribution in 2005.

IV. No major litigation or arbitration was initiated within the Report Period in which the Company was either defendant or plaintiff. No such litigation or arbitration took place before the Report Period and was not settled during the Report Period.



## V. Purchase and sale of assets and merger by absorption during the Report Period

1. During the Report Period, the Company does not have asset acquisition deals.

### 2. Information of Sale of Assets

In May 2005, the Company transferred its legal entity shares in Yangtze River United Economy Development (Group) Co., Ltd. to Shanghai State-Owned Assets Supervision and Administration Commission. The book value of such assets was RMB2,694,162.00 and the dividends distributed in the previous years were RMB82,000. The price of such sale was RMB2,000,000.00, which was determined by negotiation between buyer and seller, and the losses and gains incurred in this Report Period was –RMB-694,162.00. Such transaction has no influence on the continuance of the Company's business, the stability of management and the financial status and operation performances of the Company. After the execution of the transfer agreement, the buyer has paid full amount of the price and the transaction was closed.

### 3. Merger by absorption

The two subsidiaries controlled by the Company, Shanghai Hitachi Electrical Appliance Co., Ltd. and Shanghai Senlin Electrical Appliance Co., Ltd., concluded and signed an agreement on merger by absorption in March 2005. Such merger events are pending approval from the Ministry of Commerce.

## VI. Major affiliated transactions of the Company within the Report Period

1. No major affiliated transaction with respect to purchase and sale of commodities or provision of services took place within the Report Period.

2. No major affiliated transaction with respect to transfer of assets or shares took place within the Report Period.

3. Debts between the Company and its affiliates during the Report Period are as follows:

(in RMB Yuan)

Affiliate	Relationship with the Company	Funds provided to the affiliate			Funds provided to the Company	
		Amount	Balance	Amount of fees for the use of state funds	Amount	Balance
Shanghai Highly Special Refrigerators Co., Ltd.	Subsidiary controlled by the Company	376,625.99	0	0	0	0
Shanghai Haiyun Art Flower Co.,Ltd.	Subsidiary controlled by the Company	188,347.11	0	0	0	0
Shanghai Highly (Group) Trading Co., Ltd.	Subsidiary controlled by the	75,840.26	0	0	0	0

	Company					
Total		640,813.26	0	/	0	0

During the Report Period, the amount of funds provided to the Company's majority shareholders and the subsidiaries of such majority shareholder, and the outstanding amount of such funds, were zero.

Causes of affiliated debts: the affiliated debts with Shanghai Highly Special Refrigeration Equipment Co., Ltd. were rents due and deferred and prepaid expenses; the affiliated debts with Shanghai Haiyun Art Flower Co., Ltd. were rents due; and the affiliated debts with Shanghai Highly Group Trading Co. Ltd. were deferred and prepaid expenses.

Settlement of the affiliated debts: All the aforesaid affiliated debts had been settled by June 30, 2005.

Influence of the affiliated debts on the performance and financial situation of the Company: The affiliated debts did not exert influence on the performance of the Company.

## VII. Important Contracts and Contract Performance

1. During the Report Period, the Company has not been engaged as a trustee or a trustor.
2. During the Report Period, the Company has not been engaged as a contractor or a developer.
3. During the Report Period, the Company has not been engaged as a lessor or lessee.

### 4. Guarantee Information

(in RMB Yuan)

External guarantees offered by the Company (excluding guarantees offered to the subsidiaries controlled by the Company)						
Guarantee	Date	Amount	Type	Guarantee Period	Fulfilled or not	Whether for affiliate
Shanghai Senlin Electrical Appliance Co., Ltd.	4 August 2004	289,829,500	Joint and several	4 August 2004 to 9 June 2005	Yes	Yes
	11 July 2002	35,000,000		11 July 2002 to 11 June 2005	Yes	Yes
	14 January 2005	250,147,100		14 January 2005 to 30 November 2005	No	Yes
	20 February 2004	45,000,000		20 February 2004 to 22 April 2005	Yes	Yes
	29 August 2004	8,160,000		29 August 2004 to 20 September 2005	No	Yes
Shanghai Zanussi Electromechanical Co., Ltd.	6 September 2004	30,000,000		6 September 2004 to 16 May 2005	Yes	Yes
	24 March 2004	32,500,000		24 March 2004 to 18 June 2005	Yes	Yes
	27 July 2004	21,500,000		27 July 2004 to 29 December 2005	No	Yes

	30 June 2003	10,000,000		30 June 2003 to 30 June 2005	Yes	Yes
	30 June 2003	15,000,000		30 June 2003 to 31 December 2005	No	Yes
	14 March 2005	32,000,000		14 March 2005 to 29 June 2006	No	Yes
	22 April 2005	35,000,000		22 April 2005 to 27 December 2005	No	Yes
Shanghai Highly Foundry Co., Ltd.	23 September 2004	14,000,000		23 September 2004 to 7 November 2005	No	Yes
	28 October 2002	6,000,000		28 October 2002 to 27 October 2005	No	Yes
	12 March 2004	4,000,000		12 March 2004 to 10 March 2005	Yes	Yes
	5 April 2004	4,000,000		5 April 2004 to 28 February 2007	No	Yes
	24 June 2005	4,000,000		24 June 2005 to 23 June 2006	No	Yes
Shanghai Highly Special Refrigerator Co., Ltd.	22 November 2004	4,000,000		22 November 2004 to 5 December 2005	No	Yes
	17 March 2005	4,000,000		17 March 2005 to 10 September 2005	No	Yes
	1 June 2005	2,000,000		1 June 2005 to 9 March 2006	No	Yes
Shanghai Highly Trading Co., Ltd	24 November 2004	2,000,000		24 November 2004 to 23 May 2005	Yes	Yes
	23 May 2005	2,000,000		23 May 2005 to 22 November 2005	No	Yes
	14 January 2005	4,790,000		14 January 2005 to 7 September 2005	No	Yes
Total amount of guarantees during the Report Period			854,926,600			
Total amount of outstanding guarantees as of the end of the Report Period			406,597,100			
Guarantees offered by the Company to subsidiaries controlled by it						
Total amount of guarantees offered by the Company to subsidiaries controlled by it during the Report Period			678,926,600			
Total amount of outstanding guarantees offered by the Company to subsidiaries controlled by it as of the end of the Report Period			303,097,100			
Total amount of guarantees offered by the Company (including the guarantees offered by the Company to subsidiaries controlled by it)						
Total amount of guarantees			406,597,100			
Proportion of total amount of guarantees to the net asset of the Company (%)			30.06			
Guarantees in violation of regulations						
Amount of guarantees offered to the majority shareholders and other affiliated companies in which the Company holds less than 50% of the equity			103,500,000			
Amount of guarantees offered directly or indirectly to the entity whose liability ratio is over 70%			361,807,100			

Total amount of guarantees in violation of regulations	361,807,100
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The Company provided guarantees for the bank loans of the above subsidiaries controlled by it or in which it holds equity, in accordance with the respective legal documents. All such borrowings are for the purpose of manufacture and business operation. The decision-making and examining and approving processes of such guarantees complies strictly with the *Articles of Association* and the *Regulations of Board of Directors* of the Company and the *Rules of Management of Corporate Guarantees*. None of such guarantees is overdue or affected the business activities of the Company. The Company has rectified its guarantees according to Circular Zhengjianfa [2003]56 of China Securities Regulatory Commission and the outstanding amount of guarantees offered by the Company decreased by 23.93% comparing to the end of last year, and the proportion of outstanding amount of guarantees in the net assets decreased to 30.06%. Such achievements were mainly attributable to the successful consolidation of Shanghai Hitachi Electrical Appliance Co., Ltd. and Shanghai Senlin Electrical Appliance Co., Ltd as well as the effective efforts from Shanghai Zanussi Electromechanical Co., Ltd. for improving its business operation and decreasing the loans.

5. No entrust finance events took place during the Report Period.

6. During the Report Period, the Company has not been engaged in other important contracts.

VIII. During the report period, the Company and its shareholders holding more than 5% (including 5%) shares in the Company's did not have any commitments that may exert an important influence on the performance and financial situation of the company, nor did they have such commitments before the report period and continue into the report period.

IX. During the Report Period, the directors and the Board of Directors have not suffered inspection, administrative punishment and criticism on the newspaper from the China Securities Regulatory Committee and open condemnation from the Stock Exchange.

X. No other important events took place during the Report Period.

XI. Index of the disclosed public information

Items	The name and website of the newspaper for information disclosure	Date	Website and search approach
Resolution Announcement of the Interim Meeting of the 3 <sup>rd</sup> Session of the Board of Directors	<i>Shanghai Securities News</i> A3 and <i>Ta Kung Pao (Hong Kong)</i> B3	4 March 2005	http://www.sse.com.cn / Announcement and presentation/ Announcements of Listed Companies
Resolution Announcement of the 11 <sup>th</sup> Meeting of the 3 <sup>rd</sup> Session of the Board of Directors	<i>Shanghai Securities News</i> C47 and <i>Ta Kung Pao (Hong Kong)</i> B11	26 April 2005	

Resolution Announcement of the 14 <sup>th</sup> Meeting of the 3 <sup>rd</sup> Session of the Board of Directors	<i>Shanghai Securities News C47 and Ta Kung Pao (Hong Kong) B11</i>	26 April 2005	
Resolution Announcement of the 12 <sup>th</sup> Meeting of the 3 <sup>rd</sup> Session of the Board of Directors	<i>Shanghai Securities News 15 and Ta Kung Pao (Hong Kong) B8</i>	30 May 2005	
Resolution Announcement of the 15 <sup>th</sup> Meeting of the 3 <sup>rd</sup> Session of the Board of Directors	<i>Shanghai Securities News 15 and Ta Kung Pao (Hong Kong) B8</i>	30 May 2005	
Announcement of the Convention of the 2004 Shareholders' General Meeting	<i>Shanghai Securities News 15 and Ta Kung Pao (Hong Kong) B8</i>	30 May 2005	
Resolution Announcement of the 2004 Shareholders' General Meeting	<i>Shanghai Securities News C10 and Ta Kung Pao (Hong Kong) C7</i>	1 July 2005	

## CHAPTER 7

### FINANCIAL REPORTS (UNAUDITED)

#### General situation

##### 1. Background information

Upon the approval by Shanghai Municipality Economic Committee as evidenced by approval document HJQ (1992) 299, Shanghai Highly (Group) Co., Ltd. (“the Company”) was established as a joint stock company in Shanghai, the People’s Republic of China (“the PRC”). The legal person business license (QGHZZ019016 (SHIJU)) was issued by Shanghai Municipality Administration of Industry and Commerce on June 20, 1992. The legal representative is Yu You Yong.

The Company’s registered capital is RMB 456,624,329 yuan, consisting of 456,624,329 shares, among which is 24,336,323 A shares and 215,280,006 B shares (the par value of each share is RMB 1), which are traded on the Shanghai Stock Exchange. The registered capital has been verified by Ernst & Young Da Hua Certified Public Accountants with capital verification report (2004) 896 issued. The A shares and B shares initially offered by the Company were traded on the Shanghai Stock Exchange on November 16, 1992 and January 18, 1993 respectively.

##### 2. The industry nature and business scope

The Company is engaged in manufacture of electronic machine and equipment.

The Company is principally engaged in the research and development and manufacture of refrigeration equipment and the components and parts related thereto, automobile components and parts, compressors used in household equipment and the relevant materials and instruments, sale of self-made products;

investment in other enterprises (licenses are needed wherever specified by applicable laws, rules and regulations).

3. Major products and services provided:  
Air-condition compressors, dehumidification compressors, automobile component and parts, refrigerator compressors, refrigeration equipment and so on.
4. Seasonal characteristics of operation:  
Since the manufacture of air-condition compressors, the principal business of the Company, is of seasonal nature, most of the sales of the Company is made in the first half of the fiscal year.

Significant Accounting Policies and Accounting Estimates Adopted by the Company

1. The applicable accounting regulation: *The Accounting Standard for Chinese Enterprises* and *Accounting Regulation for Chinese Enterprises* are adopted by the Company and its subsidiaries.
2. The fiscal year: The fiscal year of the Company runs from 1 January to 31 December of each calendar year
3. Recording currency: Renminbi
4. Bookkeeping and valuation basis: The accrual basis and historical cost based valuation is adopted.
5. Foreign currency transactions  
The amount of transactions in foreign currencies occurred in the reporting year were translated into RMB at the mid-exchange rate quoted by People's Bank of China and the exchange rate quoted by New York Foreign Exchange Market on the first day of the month in which these transactions are entered into. Adjustments are made to the Renminbi balance of the accounts in foreign currencies at the end of each month to reflect the exchange rate prevailing on that date. The resulting exchange gains or losses which were related to borrowings specially for construction and acquisition of fixed assets (including interests accrued) was capitalized; those occurred during the start-up period were charged to the deferred debits; and those occurred during the operation were charged to the profit and loss account.
6. Cash equivalents  
The cash equivalents are defined as those s held by the Company and its subsidiaries meeting all of the 4 criteria listed below: (1) short-lived (due within 3 months since purchased); (2) with strong liquidity; (3) can be easily converted into known amount of cash; and (4) bears low risk of fluctuation in value.
7. Accounting for bad debts  
(1) The bad debts are written off when

- The debtors concerned have gone liquidation or passed away, and the bankrupt's estate or the heritage are not enough to make the full recovery. Then the amount outstanding is recognized as the bad debts; or
- The account has been overdue and there is strong evidence regarding its uncollectibility.

The bad debts are written off after being approved by the management with appropriate authorization.

(2) Provision is regularly made for bad debts, which may happen on account receivables and other receivables.

a. The provision for bad debts is made on the basis of a combination of specific identification and aging analysis. For those that can be specifically identified, the provision for bad debts is made based on the collectibility.

The rates of provision are listed as follows:

Age of accounts	Provision Rate (%)
Within 6 months	0%
6 months to 1 year	2%
1-2 years (including 2 years)	20%
2-3 years (including 3 years)	40%
3-5 years (including 5years)	70%
Over 5 years	95%

b. The provision for bad debts of other receivables is made using specific identification method.

#### 8. Amortization of prepaid expenses

	Term of amortization	Amortization Method
Property insurance	2005	On straight-line basis over the useful life
Vehicle insurance	2005	On straight-line basis over the useful life

#### 9. Accounting for inventories

##### (1) Classification of inventories

Inventories are assets (a) held for sale in the ordinary course of business; (b) in the process of production for such sale; or (c) in the form of materials or supplies to be consumed in the production process or in the rendering of services. The inventories of the Company are classified into the following groups: raw materials, work-in-process, finished products, materials sent out for processing, low-cost and short-lived articles, consumables.

##### (2) Initial measurement of inventories on acquisition

Inventories are valued at the actual cost when acquired.

##### (3) Determination of cost of inventories dispatched/consumed

The planned cost method is adopted in routine data processing. At the end of each month, the differences between the planned cost and the actual cost are adjusted for to arrive at the actual cost using the cost variance rates for that month.

(4) Amortization of low cost and short-lived articles

One-off writing off method is adopted in amortization of low cost and short-lived articles

(5) Inventory taking system

The Company applied a perpetual inventory system.

(6) Recognition criteria and policy of provisions for impairment of inventories

The inventories are stated at the lower of cost and net realizable value. Provision is made for the cost of inventories which suffer from spoilage, or become entirely or partially obsolescent, or the selling prices of which are lower than the costs etc. The provision is made on an item by item basis at the difference by which the cost of inventories is higher than the NRV. For miscellaneous and low cost s, the provision is made on a category by category basis.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

## 10. Long-term investments

(1) The valuation of long-term equity investments and recognition of income thereon

Long-term investment in shares and other long-term investment are collectively called long-term equity investment. The long-term equity investments are recorded at its initial cost on acquisition, i.e., the total price paid on acquisition.

Cost method is used to account for long-term equity investments when the Company does not have control, joint control or significant influence over the investee enterprise. The equity method is used to account for long-term equity investments when the Company can control, jointly control or has significant influence over the investee enterprise.

(2) Accounting for equity investment differences

When the acquisition cost exceeds the share in owner's equity of the investee, the difference between the initial cost of investment and the Company's share of net assets of the investee enterprise is credited to equity investment difference account and amortized evenly 10 years. When the Company's share in owner's equity of the investee exceeds the acquisition cost, the difference is charged to equity investment difference account and amortized evenly 10 years provided that the related investment took place before March 17, 2003 or otherwise credited to capital reserve. In case equity investment difference arose from additional investment made in or after May 28, 2004, and if it fell in the opposite side of the original one, it should offset the original one first. Any amount in excess of the original equity investment difference is treated as discussed above.

(3) Provision for impairment of long-term investments—criteria for recognition and determination of amount to be provided for



Provision for impairment of long-term investments is made on an individual basis. If the recoverable amount of any investment is lower than the carrying amount of that investment as a result of a continuing decline in market value or changes in operating conditions of the investee enterprise, the difference between the recoverable amount and the carrying amount of the investment is accounted for as a provision. The provision and reversal of provision is recorded in income statement. As specified in the Answer to the Questions Concerning Application of the Accounting Regulation for Chinese Enterprises and related Accounting Standards No. 4 (CK [2004] No. 3) issued by the Ministry of Finance, if provisions are made for long-term equity investments which are accounted for using equity method on or after May 28, 2004 and with corresponding equity investment differences, the balance of such differences (including capital surplus arising therefrom) should firstly be partly or fully written off before determining the amount that should be charged to the current period income statement.

## 11. Accounting for fixed assets and accumulated depreciation

### (1) Definition and recognition criteria of fixed assets

Fixed assets are defined as tangible assets that (a) are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; (b) have useful life of more than one year; and (c) have relatively high unit price. Specifically, the following are recognized as fixed assets: (a) buildings and constructions, machinery, transportation facilities and other equipment and appliances used in the operation of the Company, of which the useful lives are over 1 year; and (b) those whose useful lives are over 2 years and the unit price exceed RMB ¥2,000, which do not fall within the scope of key operation facilities.

### (2) Fixed assets are classified into the following categories: buildings and constructions, machinery equipment, transportation facilities, office equipment, and others.

### (3) The valuation of fixed assets and provision for impairment thereof

The initial measurement of fixed assets upon acquisition is made at their actual cost or amount determined otherwise.

At the end of each year, recoverable amount of fixed assets is examined on an individual basis. The difference by which the recoverable amount is lower than the carrying amount of the fixed assets should be provided for. The impairment loss should be recognized in the income statement for the current period. The provision for impairment of fixed assets is made on an individual basis.

### (4) Accounting for accumulated depreciation

The fixed assets are depreciated on straight-line basis over their estimated useful lives based on the original cost and estimated useful lives. The depreciable amount of a fixed asset equals its original cost less estimated residual value. The residual value is estimated at 4-10 % of the original cost.

The depreciation rates for each category of fixed assets are as follows:

Estimated useful life (in years)	Depreciation rate p.a. (%)
----------------------------------	----------------------------

Buildings and constructions	20	4.5%-4.8%
Machinery equipment	10	9%-9.6%
Transportation facilities	5	18%-19.2%
Office equipment	5	18%-19.2%
Others	5	18%-19.2%

For the value of land use rights included in the original cost of buildings and constructions, if the estimated useful life of that land use right is longer than that of the building and construction, this factor should be taken into account in estimation of residual value of that building and construction. That is, the estimated written down value of land use right at the end of the useful life of the building and construction should be added to its estimated residual value, and its estimated residual value and depreciation rate should be adjusted accordingly.

When a provision for impairment has been made for a fixed asset, the depreciation rate and depreciation charge for the fixed asset should be recalculated based on the asset's carrying amount and its remaining useful life. If the value of a fixed asset for which impairment provision has previously been made is recovered, the depreciation rate and depreciation charge for the fixed asset should be recalculated based on the asset's revised carrying amount and its remaining useful life. While the depreciation charge is adjusted as a result of the provision for impairment, no adjustment is made to the fixed asset's accumulated depreciation previously provided.

## 12. Accounting for construction in progress

The actual construction expenditures incurred are charged to the construction in progress account. When the fixed asset being acquired or constructed has reached its expected usable condition, the total construction cost in that account is capitalized as fixed assets. At the end of each fiscal year, the recoverable amount of all the constructions in progress is reviewed for impairment purposes and, if there is such evidence on occurrence of impairment losses of construction in progress, provision should be made and recognized in the income statement for the current period. The provision for impairment of construction in progress is made on an individual basis.

## 13. Accounting for borrowing costs

### (1) Criteria for capitalization of borrowing costs and capitalization period

As specified in the Accounting Standard for Business Enterprises: Borrowing Costs, interests incurred in connection with specific borrowings, and amortization of discounts or premiums relating to and exchange differences arising from those specific borrowings, should be capitalized as part of the cost of the related asset if (a) expenditures for the asset are being incurred; (b) borrowing costs are being incurred; and (c) acquisition and construction that are necessary to prepare the asset for its intended use have been commenced. Interests incurred in connection with, amortization of discounts or premiums relating to, and exchange differences arising from other borrowings should be recognized as an expense in the period in which they are incurred.

Capitalization of borrowing costs should be suspended during periods in which the acquisition or construction of a fixed asset is interrupted abnormally, and the interruption period is more than 3 months. These costs should be recognized as expenses for the current period until the acquisition or construction is resumed.

Capitalization of borrowing costs should cease when the fixed asset being acquired or constructed has reached its expected usable condition. Borrowing costs incurred thereafter should be recognized as an expense in the period in which they are incurred.

Ancillary costs incurred in connection with the arrangement of specific borrowings before the relevant fixed asset being acquired or constructed is ready for its intended use should be capitalized in the period in which they are incurred. Ancillary costs incurred thereafter should be recognized as an expense in the period in which they are incurred. If the amount of ancillary costs is insignificant, they may be recognized as an expense in the period in which they are incurred.

(2) Determination of the capitalization amount

In each capitalization period, the amount of interest costs to be capitalized should be determined on the basis of (a) The weighted average amount of accumulated expenditures incurred for the acquisition or construction of a fixed asset up to the end of the current period, and (b) the capitalization rate. The amount of interest and amortization of discount or premium capitalized for each capitalization period shall not exceed the actual amount of interest incurred and the actual amount of discount or premium amortized during that period.

14. Accounting for intangible assets

(1) Initial measurement of intangible assets

Intangible assets should be recorded based on the actual purchase price paid.

(2) Amortization of intangible assets

The cost of an intangible asset should be amortized evenly over the shortest of its expected useful life, the effective period stipulated by the contract and the law (in case no effective period is stipulated by the contract or the law, the amortization period should not exceed 10 years) starting in the month in which it is obtained. The details are as follows:

	Amortization period (in years)
Land use right	46-50
Industry property right and proprietary technology	7

(3) Provision for impairment of intangible assets—criteria for recognition and determination of amount to be provided for

The Company reviews the carrying amount of its intangible assets at the end of each year for the future economic benefits associated with them that will flow to the enterprise. The difference by which the recoverable amount is lower than the carrying amount of the intangible assets should be provided for and recognized in the income statement for the current period. The provision for impairment of intangible assets is made on an individual basis.

When provision for impairment of intangible assets is made or subsequently reversed, the remaining amortization period and the annual amortization amount for relevant intangible asset will be revised accordingly.

15. Accounting for long-term deferred charges

(1) Water and electricity increment fee is amortized on straight line basis over 10 years commencing in July 1997.

(2) The mould and measures dispatched are amortized on straight line basis over 3-5 years.

- (3) Electricity increment fee of 35 KV transformer substation is amortized on straight line basis over 5 years commencing in July 2003.

#### 16. Recognition of revenue

##### (1) Sales of goods

Revenue from the sale of goods should be recognized when all the following conditions have been satisfied: (a) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods; (b) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold; (c) it is probable that the economic benefits associated with the transaction will flow to the Company; and (d) the relevant amount of revenue and costs can be measured reliably.

##### (2) Rendering of services

When the provision of services is started and completed within the same fiscal year, revenue is recognized at the time of completion of the services when the money or the right to collect the money is received.

When the outcome of a transaction involving the rendering of services cannot be estimated reliably, an enterprise should recognize revenue at the balance sheet date to the extent of costs incurred that are expected to be recoverable and charge an equivalent amount of cost to the profit and loss account. When the costs incurred are not expected to be recovered, revenue should not be recognized and the costs incurred are recognized as an expense in the current period.

##### (3) Use by others of enterprise assets

Interest income should be measured based on the length of time for which the Company's cash is used by others and the applicable interest rate(s), and royalty should be measured according to the period and method of charging as stipulated in the relevant contract or agreement. The revenue is recognized when both of the following conditions are satisfied: (a) it is probable that the economic benefits associated with the transaction will flow to the enterprise; and (b) the amount of the revenue can be measured reliably.

#### 17. Accounting for corporate income tax

Tax payable method is adopted in accounting for corporate income tax.

#### 18. Explanation on correction of accounting policies, accounting estimate and significant accounting error

There are no significant changes in accounting policies, accounting estimate, and no significant errors in the reporting period.

#### 19. Consolidation

According to the Notification on the Interim Regulation on the Consolidation of Financial Statements (document No. CKZ (1995) 11) and the Reply to the Ask for Instruction on the Consolidation Scope (document No. CKEZ (96) 2) etc. promulgated by the Ministry of Finance, the consolidated financial statements are prepared on the basis of the financial data of the parent company and the subsidiaries within the scope of consolidation and other related data for the reporting year. The significant inter-company transactions are eliminated upon consolidation.

When preparing the consolidated financial statements, the Company restated the financial statements For the 6-month period ended June 30, 2005 (originally prepared in accordance with the Accounting Regulations for various industries) in accordance with *the Accounting Regulation for Chinese Enterprises* for the purpose of consolidation.

### III. Taxes and surcharges

The taxes applicable to the Company and rates thereof

Taxes	Tax rate	Basis of computation
Corporate income tax	15-33%	Taxable profit
Value added tax ("VAT")	13%, 17%	Output VAT minus deductible input VAT
Business tax	5%	Turnover
City maintenance and construction tax	1%, 7%	Business tax payable and VAT payable

\*The statutory rate of corporate income tax applicable to the Company is 15% because it is registered in Pudong New Area. That applicable to the subsidiaries within the consolidation scope is:

- Shanghai Hitachi Electrical Appliances Co., Ltd., as a advanced-technology foreign-invested enterprise ("FIE"), 15%;
- Shanghai Senlin Electrical Appliances Co., Ltd., as a FIE, 15%;
- Shanghai Jinxuan Real Estate Development Co., Ltd. and Shanghai Highly Forging Co., Ltd., 33%.

The surcharges applicable to the Company and rates thereof

	Rate	Base
Educational surcharge	3%	Business tax and VAT
River channel maintenance surcharge	0.5%, 1%	Business tax and VAT

### IV. Subsidiaries under control and associates

#### 1. Situation of all the subsidiaries under control and associates within the territories of the P.R.C., and consolidation scope

(RMB ¥ '0000 or US\$'000)

Name	Business nature	Registered capital	Business scope	Actual contribution	The Company's share in the equity interest (%)	Whether consolidated	Reason
1.Shanghai Hitachi Electrical Appliances Co., Ltd.	Industry	USD 159,040	Manufacture and sale of household air-conditioner compressors	96,610.4	75	Yes	
2.Shanghai Senlin Electrical Appliance Co., Ltd.	Industry	USD 60,000	Manufacture and sale of refrigeration compressors	33,793.1	75	Yes	
3.Shanghai Jin Xuan Real Estate Development Co.	Real estate	RMB1,730	Real estate development	1,730	100	Yes	

Estate Development Co.			development				
4. Shanghai Highly Forging Co., Ltd.	Industry	RMB 3,070	Forging parts, metals processing, heat treatment, mechanical processing	2,456	80	Yes	
5. Shanghai Highly Special Refrigeration Equipment Co., Ltd.	Industry	RMB 1,000	Refrigeration, temperature control equipment and related products	700	70	No	*note
6. Shanghai Haiyun Flower Co., Ltd.	Industry	RMB100	Manufacture and sale of artificial flowers	80	80	No	*note
7. Shanghai Highly (Group) Trading Co., Ltd.	Commerce	RMB 500	Import & export of various commodities and technology, sales of refrigeration equipment and components and parts, electromechanical equipment and parts etc.	400	80	No	*note

\*Note: Since the proportion of total assets, sales revenue of Shanghai Highly Special Refrigeration Equipment Co., Ltd., Shanghai Haiyun Flower Co., Ltd. and Shanghai Highly (Group) Trading Co., Ltd. to that of the consolidated financial statements and the proportion of the net profit of the said companies to that of the parent company are all below 10%, whether individually or collectively, the financial impact of the companies are immaterial, the said companies are not included in the consolidation scope based on materiality principle.

## Major s in the Financial Statements

### 1. Cash

Currency	June 30, 2005			January 1, 2005		In recording currency
	In original currency	Exchange rate	In recording currency	In original currency	Exchange rate	
Cash						
RMB	90,365.39	-	90,365.39	-	-	152,741.59
USD	23,526.66	8.2765	194,718.40	33,509.59	8.2765	277,342.12
JPY	4,713,448.00	0.075149	354,210.91	5,816,791.00	0.079701	463,604.06
Sub-total			<u>639,294.70</u>			<u>893,687.77</u>
Cash in bank						
RMB	-	-	84,869,810.33	-	-	190,096,758.21
USD	4,293,891.74	8.2765	35,538,394.99	1,089,792.05	8.2765	9,019,663.92
JPY	24,198,226.00	0.075149	1,818,472.48	780,059.00	0.079701	62,171.48
Sub-total			<u>122,226,677.80</u>			<u>199,178,593.61</u>
Other cash						
RMB (deposit for bank draft)			8,732,500.00			1,330,000.00
RMB (deposit for L/C)			5,261,741.18			-
RMB term deposit			187,000,000.00			-
Sub-total			<u>200,994,241.18</u>			<u>1,330,000.00</u>

### 2. Notes receivable

	June 30, 2005	January 1, 2005
Bank acceptance	364,084,063.12	409,746,247.70
Total	<u>364,084,063.12</u>	<u>409,746,247.70</u>

Within the aforesaid balance, there is no amount due from shareholders that hold 5% or more of the Company's voting shares. As at the end of the period, there is no pledged trade acceptance.

### 3. Accounts receivable

Aging	Accounts receivable	June 30, 2005		Provision for bad	January 1, 2005		Provision for bad
		Proportion	Rate of		Proportion	Rate of	

		to total accounts receivable (%)	provision for bad debts (%)	debts		to total accounts receivable (%)	provision for bad debts (%)	debts
Within 6 months	746,442,813.97	98.84	-	0.00	273,525,477.19	96.39	-	-
Within 1 year	1,222,474.78	0.16	3.02	36,881.38	3,013,559.66	1.06	1.91	57,612.66
1-2 years	938,643.19	0.12	82.61	775,383.64	638,494.50	0.23	93.61	597,686.87
2-3 years	131,908.72	0.02	40.00	52,763.49	112,664.23	0.04	36.75	41,401.02
Over 3 years	6,459,135.03	0.86	100.00	6,459,135.03	6,470,242.61	2.28	99.94	6,466,342.34
Total	<u>755,194,975.69</u>	<u>100.00%</u>	<u>0.97</u>	<u>7,324,163.54</u>	<u>283,760,438.19</u>	<u>100.00</u>	<u>2.52</u>	<u>7,163,042.89</u>

Within the aforesaid balance, there is no amount due from shareholders that hold 5% or more of the Company's voting shares.

The balance of bad debts provision is less than 5% of the closing balance of accounts receivable. The reason for this is that the balances whose aging is within 6 months amounts to RMB 746,442,813.97, accounting for 98.84% of total balances. According to the Company's policy, no provision is made for the said balances. The balance of amounts due from top five debtors is RMB 201,444,965.78, accounting for 26.67% of total balances.

#### 4. Other receivables

Aging	June 30, 2005				January 1, 2005			
	Other receivables	Proportion to total other receivables (%)	Rate of provision for bad debts (%)	Provision for bad debts	Other receivables	Proportion to total other receivables (%)	Rate of provision for bad debts (%)	Provision for bad debts
Within 1 year	20,252,792.70	69.95	-	-	7,334,974.22	30.92	-	-
1 - 2 years	-	-	-	-	15,174,182.25	63.97	57.00	8,650,000.00
2 - 3 years	8,700,000.00	30.05	99.43	8,650,000.00	10,000.00	0.04	-	-
Over 3 years	<u>2,000.00</u>	<u>0.01</u>	-	-	<u>1,201,376.63</u>	<u>5.06</u>	-	-
Total	<u>28,954,792.70</u>	<u>100.00</u>	<u>29.87</u>	<u>8,650,000.00</u>	<u>23,720,533.10</u>	<u>100.00</u>	<u>36.47</u>	<u>8,650,000.00</u>

Within the aforesaid balance, there is no amount due from shareholders that hold 5% or more of the Company's voting shares.

Top five debtors:

Name	Amount	Descriptions	Aging
Zhejiang Shaoxin Hongtai Electrical Equipment Plant	8,650,000.00	For equipment sold	2-3 years
Shanghai Highly Refrigerator Equipment Co., Ltd.	4,919,751.40	Advances	Within 1 year
Staff of Shanghai Hitachi Electrical Appliances Co., Ltd.-cars	3,432,514.39	Loan to staff	Within 1 year, 1-2 years
Staff of Shanghai Hitachi Electrical Appliances Co., Ltd.-cars	3,376,576.70	Loan to staff	Within 1 year, 1-2 years
Customs	3,045,558.03	Deposit	Within 1 year

The balance of amounts due from top five debtors is RMB 23,424,400.52, accounting for 80.90% of total balance.

#### 5. Advances to suppliers

Aging	June 30, 2005		January 1, 2005	
	Amount	Proportion to total (%)	Amount	Proportion to total (%)
Within 1 year	26,625,939.34	99.85	15,427,616.48	99.68
1 - 2 years	<u>40,500.00</u>	<u>0.15</u>	<u>49,882.00</u>	<u>0.32</u>
Total	<u>26,666,439.34</u>	<u>100.00</u>	<u>15,477,498.48</u>	<u>100.00</u>

Within the aforesaid balance, there is no amount due from shareholders that hold 5% or more of the Company's voting shares.

#### 6. Inventory

Inventory	Provision for impairment of inventories		
	June 30, 2005	January 1, 2005	January 1, 2005
		Increase	Decrease
			June 30, 2005

		2005	2005		Provisions reversed/ written-off	Transfer-out for other reasons*	Total	
Finished goods	283,651,560.78	457,339,527.44	4,120,058.24	2,834,853.00	208,865.59	3,759,966.41	3,968,832.00	2,986,079.24
WIP	33,526,219.13	31,039,960.90	384,965.26	-	-	384,965.26	384,965.26	-
Raw materials	185,084,595.46	157,696,745.35	15,539,304.79	-	-	3,792,423.32	3,792,423.32	11,746,881.47
Low cost and short-lived articles	23,445,808.95	19,627,403.77	-	-	-	-	-	-
Consumables		1,100.00	-	-	-	-	-	-
Materials sent out for processing	<u>1,848,375.33</u>	<u>1,961,801.00</u>	=	=	=	=	=	=
Total	<u>527,556,559.65</u>	<u>667,666,538.46</u>	<u>20,044,328.29</u>	<u>2,834,853.00</u>	<u>208,865.59</u>	<u>7,937,354.99</u>	<u>8,146,220.58</u>	<u>14,732,960.71</u>

\*The amounts represent the disposal of the inventories. The inventory s included in the balance as at period end were acquired by the following ways: purchase from outside parties, manufacture of the Company itself, outside processing, etc. There are no inventories that are pledged as collateral on debts.

## 7. Prepaid expenses

	June 30, 2005	January 1, 2005
Vehicle insurance	-	3,838.00
Property insurance	=	<u>234,673.55</u>
	=	<u>238,511.55</u>

## 8. Long-term investment

### (1) The details :

	Balance				Provision for impairment				
	January 1, 2005	Increase	Decrease	June 30, 2005	January 1, 2005	Increase	Decrease Provisions reversed/ written-off	Total	June 30, 2005
I. Long-term equity investments accounted for using equity method	120,830,599.73	2,990,400.14	15,752,582.18	108,068,417.69	-	-	-	-	-
Including: Investments in subsidiaries	-20,776,964.72	2,506,612.81	4,836,081.77	-23,106,433.68	-	-	-	-	-
Investments in associated undertakings	141,607,564.45	483,787.33	10,916,500.41	131,174,851.37	-	-	-	-	-
II. Long-term equity investments accounted for using cost method	18,385,216.55	-	2,694,162.00	15,691,054.55	1,894,435.37	146,232.19	66,268.80	66,268.80	1,974,398.76
Including: Investments in shares	18,285,216.55	-	2,694,162.00	15,591,054.55	1,894,435.37	146,232.19	66,268.80	66,268.80	1,974,398.76
Other long-term equity investments	<u>100,000.00</u>	=	=	<u>100,000.00</u>	=	=	=	=	=
Total	<u>139,215,816.28</u>	<u>2,990,400.14</u>	<u>18,446,744.18</u>	<u>123,759,472.24</u>	<u>1,894,435.37</u>	<u>146,232.19</u>	<u>66,268.80</u>	<u>66,268.80</u>	<u>1,974,398.76</u>

### (2) Long-term investments in shares accounted for using equity method

#### Long-term investments in shares accounted for using equity method

Name of Investee	Relationship with the parent company	Term of investment (in years)	Proportion of shares held by parent company	Adjustment for the Company's share in the profit /loss of the investee				Reserves on equity investment		June 30, 2005	
				Original investment cost	Accumulated increase or decrease of investment cost	Increase in current period	Cash dividend received	Accumulated	Increase in current year		
1	2	3	4	5	6	7	8	9	10	11	(12)=(5)+(6)+(9)+(11)
Shanghai Highly Special Refrigeration Equipment Co., Ltd.	Subsidiary	20	70%	1,450,000.00	5,608,225.34	2,100,107.06	2,174,989.85	3,011,968.61	-	-	10,070,193.95
Shanghai	Subsidiary	10	80%	800,000.00	-	32,209.41	54,053.02	81,368.84	-	-	881,368.84



Haiyun Flower Co., Ltd.											
Shanghai Highly Trading Co., Ltd.	Subsidiary	10	80%	4,000,000.00	-	374,296.34	760,000.00	512,164.07	-	-	4,512,164.07
Shanghai Zanussi Electromeccanica Co., Ltd.	Associate	50	35%	79,690,078.30	-	-2,916,500.41	-	-60,724,358.97	-	139,684.04	19,105,403.37
Hitachi Highly Automobile Parts (Shanghai) Co., Ltd.	Associate	20	33.33%	28,969,150.00	28,968,800.00	-8,000,000.00	-	-13,168,927.41	-	23,262.67	44,792,285.26
Shanghai Highly Nakano Refrigerators Co., Ltd.	Associate	25	43%	<u>70,949,674.92</u>	<u>-5,971,058.00</u>	<u>431,098.59</u>	=	<u>3,088,877.04</u>	=	=	<u>68,067,493.96</u>
Sub-total				<u>185,858,903.22</u>	<u>28,605,967.34</u>	<u>-7,978,789.01</u>	<u>2,989,042.87</u>	<u>-67,198,907.82</u>	=	<u>162,946.71</u>	<u>147,428,909.45</u>

### Long-term equity investment difference

Name	Long-term shareholder's equity investment difference				June 30, 2005
	Original cost	Description	Term of amortization (in years)	Amount amortized in reporting period	
Shanghai Hitachi Electrical Appliances Co., Ltd.	36,940,777.70	Note 1	10	1,847,038.90	12,800,746.78
Shanghai Senlin Electrical Appliances Co., Ltd.	-61,109,033.38	Note 2	10	-	-51,370,907.32
Shanghai Highly Nakano Refrigerators Co., Ltd.	<u>-1,053,774.92</u>	Note 3	10	<u>-52,688.74</u>	<u>-790,331.22</u>
Sub-total	<u>-25,222,030.60</u>			<u>1,794,350.16</u>	<u>-39,360,491.76</u>

Note 1: the balance includes ① exchange difference of the initial investment, RMB 29,300,308.24, and the difference between the amount paid for the 8% of equity interest in Shanghai Hitachi Electrical Appliances Co., Ltd. acquired from Guo Tou Ji Qing Co., Ltd. in 2002 and the Company's share in the owner's equity of Shanghai Hitachi Electrical Appliances Co., Ltd., RMB 7,640,469.46.

Note 2: the balance includes (1) the difference between the amount paid for the 50% equity interest in Shanghai Senlin Electrical Appliances Co., Ltd. acquired from Mitsubishi Electric Co., Ltd. in January 2001 and the Company's share of net assets Shanghai Senlin Electrical Appliances Co., Ltd., RMB -71,811,459.33; (2) the adjustments made to the long-term equity investment difference as stated in (1), resulting retrospective adjustments made to the net assets of Shanghai Senlin Electrical Appliances Co., Ltd. for changes in accounting policies (the adjustment being RMB 6,890,618.96); and (3) the difference between the amount paid for 6% equity interest in Shanghai Senlin Electrical Appliances Co., Ltd. acquired from Shanghai Light Industry Holdings (Group) Co., Ltd. on December 30, 2004 and the Company's share of net assets RMB 3,811,806.99. Since the carrying amount of the long-term investment in Shanghai Senlin Electrical Appliances Co., Ltd. was reduced to zero at the beginning of the year, no amortization is made for the equity investment difference in the reporting period.

Note 3: the balance includes ① the difference between the amount paid for the 43% equity interest in Shanghai Highly Nakano Refrigerators Co., Ltd. acquired from Shanghai Shuanglu Refrigerator Co., Ltd. in December 2002 and the Company's share in the owner's equity of Shanghai Highly Nakano Refrigerators Co., Ltd., RMB -1,053,774.92.

(3) Long-term equity investments accounted for using cost method

**Long-term investments in shares**  
**Long-term investments in shares**

Investees	Type of shares	Number of shares	Proportion of capital contribution (%)	Initial investment cost
1. Shanghai Fenghua Ball Pen Co., Ltd.	Shares hold by legal person	475,200	less than5%	1,650,000.00
2. Guancheng Datong Co., Ltd.	Shares hold by legal person	532,480	less than5%	295,454.55
3. Shanghai New Jinjiang Hotel Co., Ltd.	Shares hold by legal person	1,881,792	less than5%	4,622,000.00
4. Shanghai No. 1 Food Department Co., Ltd.	Shares hold by legal person	2,309,163	less than5%	1,640,000.00
5. Shanghai Tyre Rubber (Group) Co., Ltd.	Shares hold by legal person	71,500	less than5%	340,000.00
6. Shanghai Jiabao Industry (Group) Co., Ltd.	Shares hold by legal person	74,880	less than5%	182,000.00
7. Shanghai Yuanshui Co., Ltd.	Shares hold by legal person	220,000	less than5%	600,000.00
8. Tian Di Yuan Co., Ltd.	Shares hold by legal person	198,000	less than5%	554,400.00
9. Shanghai Bailian Department Co., Ltd.	Shares hold by legal person	2,241,641	less than5%	4,547,200.00
10. Shanghai Sanmao Textile Co., Ltd.	Shares hold by legal person	147,840	less than5%	440,000.00
11. Shanghai Linguang Industry Co., Ltd.	Shares hold by legal person	136,620	less than5%	110,000.00
12. Shanghai Electric Group Company Limited	Shares hold by legal person	120,000	less than5%	440,000.00
13. Shanghai 3F New Materials Co., Ltd.	Shares hold by legal person	<u>171,608</u>	less than5%	<u>170,000.00</u>
Sub-total		<u>8,580,724</u>		<u>15,591,054.55</u>

**Provision for impairment**

	January 1, 2005	Increase	Decrease		Total	June 30, 2005	Reason
			Provisions reversed/ written-off	Transfer-out for other reasons*			
1. Shanghai Fenghua Ball Pen Co., Ltd.	1,022,736.00	-	20,908.80	-	20,908.80	1,001,827.20	
2. Guancheng Datong Co., Ltd.	243,403.60	-	12,798.60	-	12,798.60	230,605.00	
3. Shanghai New Jinjiang Hotel Co., Ltd.	66,834.56	3,744.00	-	-	-	70,578.56	The carrying amount exceeds the expected recoverable amount.
4. Shanghai No. 1 Food Department Co., Ltd.	193,901.40	-	9,761.40	-	9,761.40	184,140.00	
5. Shanghai Tyre Rubber (Group) Co., Ltd.	68,359.81	142,488.19	-	-	-	210,848.00	
6. Shanghai Jiabao Industry (Group) Co., Ltd.	110,000.00	-	-	-	-	110,000.00	
7. Shanghai Yuanshui Co., Ltd.	<u>189,200.00</u>	-	<u>22,800.00</u>	-	<u>22,800.00</u>	<u>166,400.00</u>	
Sub-total	<u>1,894,435.37</u>	<u>146,232.19</u>	<u>66,268.80</u>	<u>±</u>	<u>66,268.80</u>	<u>1,974,398.76</u>	

**Other long-term equity investments accounted for using cost method**

Investee	Term of investment (in years)	Investment	Proportion of capital contribution (%)
Er Qing sales company	24	100,000.00	0.36%
Sub-total		<u>188,000.00</u>	

There is no significant restriction on realization of investment.

The ending balance of the accumulated investment accounts for 15.15% of the ending balance of the net assets.

## 9. Fixed assets and accumulated depreciation

Category	January 1, 2005	Increase	Decrease	June 30, 2005		
<b>(1) Fixed assets—cost</b>						
Buildings & constructions	397,428,968.94	0.00	0.00	397,428,968.94		
Machinery & equipment	2,482,750,827.46	3,655,684.00	12,943,014.80	2,473,463,496.66		
Transportation facilities	38,717,640.95	498,088.41	1,451,563.09	37,764,166.27		
Office equipment	6,893,255.00	392,379.18	79,066.00	7,206,568.18		
Others	<u>188,111,367.07</u>	<u>5,528,339.00</u>	<u>854,089.92</u>	<u>192,785,616.15</u>		
<b>Total</b>	<b><u>3,113,902,059.42</u></b>	<b><u>10,074,490.59</u></b>	<b><u>15,327,733.81</u></b>	<b><u>3,108,648,816.20</u></b>		
<b>(2) Fixed assets— accumulated depreciation</b>						
Buildings & constructions	147,815,280.63	10,679,957.48	0.00	158,495,238.11		
Machinery & equipment	1,319,218,687.59	162,434,046.55	1,148,442.36	1,480,504,291.78		
Transportation facilities	27,075,383.18	1,785,862.76	1,260,129.96	27,601,115.98		
Office equipment	5,714,568.16	357,089.33	46,249.00	6,025,408.49		
Others	<u>112,376,327.73</u>	<u>14,557,047.29</u>	<u>611,224.02</u>	<u>126,322,151.00</u>		
<b>Total</b>	<b><u>1,612,200,247.29</u></b>	<b><u>189,814,003.41</u></b>	<b><u>3,066,045.34</u></b>	<b><u>1,798,948,205.36</u></b>		
<b>(3) Net value</b>						
Buildings & constructions	249,613,688.31			238,933,730.83		
Machinery & equipment	1,163,532,139.87			992,959,204.88		
Transportation facilities	11,642,257.77			10,163,050.29		
Office equipment	1,178,686.84			1,181,159.69		
Others	<u>75,735,039.34</u>			<u>66,463,465.15</u>		
<b>Total</b>	<b><u>1,501,701,812.13</u></b>			<b><u>1,309,700,610.84</u></b>		
<b>(4) Provision for impairment of fixed assets</b>						
	January 1, 2005	Increase	Decrease Provisions reversed	Transfer-out for other reasons*	Total	June 30, 2005
Buildings & constructions	-	-	-	-	-	-
Machinery & equipment	6,803,201.62	-	-	-	-	6,803,201.62
Transportation facilities	-	-	-	-	-	-
Office equipment	108,806.17	-	-	32,817.00	32,817.00	75,989.17
Others	<u>2,476,536.43</u>	-	-	-	-	<u>2,476,536.43</u>
<b>Total</b>	<b><u>9,388,544.22</u></b>	<b>=</b>	<b>=</b>	<b><u>32,817.00</u></b>	<b><u>32,817.00</u></b>	<b><u>9,355,727.22</u></b>
<b>(5) Fixed assets— written down value</b>						
Buildings & constructions	249,613,688.31				238,933,730.83	
Machinery & equipment	1,156,728,938.25				986,156,003.26	
Transportation facilities	11,642,257.77				10,163,050.29	
Office equipment	1,069,880.67				1,105,170.52	
Others	<u>73,258,502.91</u>				<u>63,986,928.72</u>	
<b>Total</b>	<b><u>1,492,313,267.91</u></b>				<b><u>1,300,344,883.62</u></b>	
<b>(6) Reconciliation of the carrying amount of fixed assets</b>						
<b>Original cost of fixed assets</b>						
Balance as at January 1, 2005			3,113,902,059.42			
<b>Add:</b>						
Purchases			7,615,830.57			
Transferred in from construction in progress account			2,458,660.02			
Others			<u>10,074,490.59</u>			

Subtotal of increase	
Less:	4,382,016.99
Retirement and disposal	<u>10,945,716.82</u>
Others	<u>15,327,733.81</u>
Subtotal of decrease	
Balance as at June 30, 2005	<u>3,108,648,816.20</u>
Accumulated depreciation	
Balance as at January 1, 2005	1,612,200,247.29
Add:	
Depreciation provided	189,814,003.41
Others	
Subtotal of increase	<u>189,814,003.41</u>
Less:	
Retirement and disposal	3,066,045.34
Others	
Subtotal of decrease	<u>3,066,045.34</u>
Balance as at June 30, 2005	<u>1,798,948,205.36</u>

(7) Included in the carrying amount of fixed assets as at June 30, 2005 there are:

- carrying amount of temporarily idle fixed assets, RMB 3,796,817.21;
- gross carrying amount of any fully depreciated fixed assets that are still in use, RMB37,518,403.92;
- There is no property, plant and equipment that is retired from active use and held for disposal.

	June 30, 2005	January 1, 2005
Buildings & constructions	6,037,740.24	6,112,790.39

## 10. Construction in progress

Name/category of construction projects	January 1, 2005		Increase		Transfer to fixed assets		Other decreases	
	Amount	Including: borrowing cost capitalized	Amount	Including: borrowing cost capitalized	Amount	Including: borrowing cost capitalized	Amount	Including: borrowing cost capitalized
Qiu Jin Housing Office	813,932.16	-	0.00	-	-	-	813,932.16	-
Technology building	38,800,672.06	-	11,195,457.86	-	-	-	-	-
Tools and mould workshop	-	-	35,810.00	-	-	-	-	-
TH capacity increment project	125,969,153.29	-	23,066,148.25	-	2,458,660.02	-	-	-
Senlin Second stage	15,303,228.36	-	0.00	-	-	-	1,963,445.55	-
SL/TL project second stage	26,894,498.06	-	57,087,859.48	-	-	-	-	-
G capacity increment project	387,000.00	-	65,113,300.06	-	-	-	-	-
Others	<u>260,000.00</u>	-	<u>2,261,076.57</u>	-	-	-	-	-
Total	<u>208,428,483.93</u>	-	<u>171,141,147.30</u>	-	<u>2,458,660.02</u>	-	<u>2,777,377.71</u>	-

	As at June 30, 2005		Budget ('0000)	Financing	Capitalization (%)	Proportion of injection to budget (%)
	Amount	Including: borrowing cost capitalized				
Qiu Jin Housing Office	-	-	-	Raised	-	-
Technology building	49,996,129.92	-	RMB 7,859	Raised	-	63.6%
Tools and mould workshop	35,810.00	-	-	Raised	-	-
TH capacity increment project	146,576,641.52	-	RMB 14,733	Raised	-	99.5%
Senlin Second stage	13,339,782.81	-	-	Raised	-	-
SL/TL project second stage	83,982,357.54	-	USD 1,154	Additional capital and loans	-	87.9%
G capacity increment project	65,500,300.06	-	USD 810	Additional capital and Raised	-	97.7%
Others	<u>2,521,076.57</u>	-	-	Raised	-	-

Total 361,952,098.42 =

### Provision for impairment of construction in progress

Name/category of construction projects	January 1, 2005	Increase	Decrease		Total	June 30, 2005	Reasons for making provision
			Provisions reversed/written-off	Transfer-out for other reasons			
Qiu jin Housing	360,000.00	-	360,000.00	-	360,000.00	-	-
Senlin Second stage	<u>13,772,905.52</u>	=	=	<u>1,767,100.99</u>	<u>1,767,100.99</u>	<u>12,005,804.53</u>	Will no longer put into use due to changes in products
Total	<u>17,276,324.46</u>					<u>17,276,324.46</u>	

The decrease represents the disposal of assets.

### 11. Intangible assets

s	Method of acquisition	Original cost	January 1, 2005	Increase	Amortization	Accumulated amortization	Transfers out	June 30, 2005	Remaining useful year
Land use right	Purchased	170,175,120.90	140,214,723.01	-	1,679,913.18	31,640,311.07	-	138,534,809.83	37.33 - 41.83
Industry property right and proprietary technology	Purchased	<u>10,388,587.01</u>	<u>974,584.01</u>	=	<u>89,512.02</u>	<u>9,503,515.02</u>	=	<u>885,071.99</u>	4.33
Total		<u>180,563,707.91</u>	<u>141,189,307.02</u>	=	<u>1,769,425.20</u>	<u>41,143,826.09</u>	=	<u>139,419,881.82</u>	

No provision is made for the land use right in the reporting period.

### 12. Long-term deferred charges

	Original cost	January 1, 2005	Increase	Amortization	Accumulated amortization	Transfers out	June 30, 2005	Remaining useful year (year)
Moulds	48,910,403.38	13,921,566.99	13,911,018.73	11,675,532.08	46,664,368.47	-	16,157,053.64	0.5~3
Water and electricity increment fee	12,633,207.95	3,093,207.95	-	636,000.00	10,176,000.00	-	2,457,207.95	2
35 KV transformer substation	<u>3,636,185.00</u>	<u>2,545,385.00</u>	=	<u>363,600.00</u>	<u>1,454,400.00</u>	=	<u>2,181,785.00</u>	3
Total	<u>65,179,796.33</u>	<u>19,560,159.94</u>	<u>13,911,018.73</u>	<u>12,675,132.08</u>	<u>58,294,768.47</u>	=	<u>20,796,046.59</u>	

### 13. Short-term borrowings

		June 30, 2005			January 1, 2005		
		In original currency	Exchange rate	In recording currency	In original currency	Exchange rate	In recording currency
Unsecured	RMB	-	-	518,000,000.00	-	-	694,000,000.00
Unsecured	USD	19,720,666.22	8.2765	163,218,093.97	25,000,000.00	8.2765	206,912,500.00
Mortgage	RMB	430,000,000.00	0.075149	32,314,070.00	-	-	-
Guarantee	RMB	-	-	=	-	-	<u>30,000,000.00</u>
Guarantee	USD						
Hypothecated	RMB			<u>713,532,163.97</u>			<u>930,912,500.00</u>
Total				<u>840,814,940.00</u>			<u>916,599,530.00</u>

There is no overdue borrowing.

### 14. Notes payable

	June 30, 2005	January 1, 2005
Bank acceptance	196,407,024.17	33,300,000.00
Trade acceptance	<u>3,300,000.00</u>	<u>8,000,000.00</u>
Total	<u>199,707,024.17</u>	<u>41,300,000.00</u>

All the aforesaid balance will be due within 2005. Within the aforesaid balance, there is no amount due to shareholders that hold 5% or more of the Company's voting shares.

15. Accounts payable

Within the aforesaid balance, there is no amount due to shareholders that hold 5% or more of the Company's voting shares.

There is no significant accounts whose aging is over 3 years.

16. Advances from customers

Within the balance of advances from customers, there is no amount due to shareholders that hold 5% or more of the Company's voting shares.

There is no accounts whose aging is over 1 year.

17. Dividends payable

Investors	June 30, 2005	January 1, 2005	Reason
Shareholders of A and B shares	92,889,613.29	1,573,747.49	Cash dividends to be paid

18. Taxes payable

	June 30, 2005	January 1, 2005
VAT	-990,522.16	-34,022,517.61
BT	301,240.50	638,130.67
Individual income tax	565,758.52	569,517.81
City construction and maintenance sur-tax	15,051.52	21,336.21
Corporate income tax	<u>20,641,806.53</u>	<u>18,732,119.22</u>
Total	<u>20,533,334.91</u>	<u>-14,061,413.70</u>

19. Other amounts payable to the authority

	June 30, 2005	January 1, 2005
Educational surcharge	9,528.49	30,346.15
River channel maintenance surcharge	<u>3,176.15</u>	<u>10,115.39</u>
Total	<u>12,704.64</u>	<u>40,461.54</u>

20. Other payables

Within the aforesaid balance, there is no amount due to shareholders that hold 5% or more of the Company's voting shares.

There is no significant account whose aging is over 3 years.

The top creditors:

Creditors	June 30, 2005	Descriptions
Provision for quality warranty	20,276,214.19	Quality warranty fund
Hitachi Household Appliance Co., Ltd.	9,573,561.82	Trademark fee, commission

21. Accrued expenses

	Closing balance	January 1, 2005	Reason
Loan interest	4,278,014.74	2,100,518.82	Accrued interest
Power & transportation fee	3,400,000.00	-	Amounts yet to be settled
Outside processing fee	7,797,169.62	-	Amounts yet to be settled
Others	<u>941,284.65</u>	=	Amounts yet to be paid

Amounts yet to be settled

Total 16,416,469.01 2,100,518.82

## 22. Long-term debts due within one year

### Long-term borrowings due within one year

	Currency	Closing balance	January 1, 2005
Unsecured	RMB	6,000,000.00	42,600,000.00

There is no overdue loan.

It represents the loans borrowed by the subsidiaries, all of which are guaranteed by the Company.

## 23. Long-term borrowings

	Currency	June 30, 2005	January 1, 2005
Unsecured	RMB	150,500,000.00	4,000,000.00

All the long-term borrowings are the borrowings of the subsidiaries, RMB 4,000,000.00 of which are guaranteed by the Company.

## 24. Share capital

The par value of each share (common share:A share and B share) is RMB 1 yuan.

	Before the change	Proportion	Movements					Subtotal	After the change	Proportion
			Rights issue	Bonus issue	Transferred from reserves	Public offer of additional shares	Others			
I. Non-marketable portion										
1. Shares owned by sponsors	144,000,000.00	31.53%					144,000,000.00	31.53%		
Including:										
(1) Shares owned by the State	144,000,000.00	31.53%					144,000,000.00	31.53%		
(2) Shares owned by domestic legal person										
(3) Shares owned by foreign legal person										
(4) Others										
2. Shares owned by legal person other than sponsors	73,008,000.00	15.99%					73,008,000.00	15.99%		
3. Shares owned by staff										
4. Preference shares and others										
Subtotal	217,008,000.00	47.52%					217,008,000.00	47.52%		
II. Marketable portion	24,336,323.00	5.33%					24,336,323.00	5.33%		
1. Common shares quoted in Renminbi in the PRC stock markets (A Share)	215,280,006.00	47.15%					215,280,006.00	47.15%		
2. Common shares quoted in foreign currencies in PRC stock markets (B Share)										
3. Common shares listed in stock markets outside PRC										
4. others	<u>239,616,329.00</u>	<u>52.48%</u>					<u>239,616,329.00</u>	<u>52.48%</u>		
Subtotal	<u>456,624,329.00</u>	<u>100%</u>					<u>456,624,329.00</u>	<u>100%</u>		
III. Total	<u>456,624,329.00</u>	<u>100%</u>					<u>456,624,329.00</u>	<u>100%</u>		

The registration of changes with the Administration of Industry and Commerce is still in process.

## 25. Capital reserve

	January 1, 2005	Increase	Decrease	Closing balance
Contributed capital in excess of par	234,997,592.10	-	-	234,997,592.10
Transferred in from special government grants	78,980,800.00	-	-	78,980,800.00
Equity investment	221,172.05	-	-	221,172.05

reserve Others	<u>29,892,843.26</u>	=	=	<u>29,892,843.26</u>
Total	<u>344,092,407.41</u>	=	=	<u>344,092,407.41</u>

## 26. Revenue reserves

	January 1, 2005	Increase	Decrease	Closing balance
Statutory revenue reserve	194,667,886.20	50,933,290.29	-	245,601,176.49
Public welfare fund	85,862,332.66	554,032.06	-	86,416,364.72
Discretionary revenue reserve	<u>22,814,278.83</u>	=	=	<u>22,814,278.83</u>
Total	<u>303,344,497.69</u>	<u>51,487,322.35</u>	=	<u>354,831,820.04</u>

## 27. Undistributed profits

For the 6-month period ended  
June 30, 2005

(1) The balance of undistributed profit as of January 1, 2005	181,283,842.71
(2) Add: Consolidated net income For the 6-month period ended June 30, 2005	175,016,741.80
(3) Revenue reserve transferred-in	-
(4) Less: Appropriations to statutory revenue reserve	50,933,290.29
(5) Appropriations to Public welfare fund	554,032.06
(6) Appropriations to discretionary revenue reserve	-
(7) Appropriations to staff and workers' bonus and welfare fund (applicable to FIEs)	16,247,510.61
(8) Less: Dividends declared	91,324,865.80
(9) Less: Dividends of common shares reinvested	=
(10) The balance of undistributed profit as of June 30, 2005	<u>197,240,885.75</u>

Distribution and appropriation of the profits for the year 2004: As passed at the annual shareholders meeting for the year 2004, the following appropriation is made out of profits available for distribution and appropriation:

Statutory revenue reserve	10% of the after-tax profit for the year 2004
Public welfare fund	10% of the after-tax profit for the year 2004
Discretionary revenue reserve	Nil
Cash dividends	RMB 2.00 per 10 shares

## 28. Revenue from primary business and cost thereof

### (1) Segment information – by industry

Industry	Revenue from business		Cost of business		Gross profit	
	Reporting period	Corresponding period of last year	Reporting period	Corresponding period of last year	Reporting period	Corresponding period of last year
Manufacture	2,518,898,664.93	2,172,040,735.84	2,056,163,548.63	1,719,566,874.38	462,735,116.30	452,473,861.46
Sub-total	<u>2,518,898,664.93</u>	<u>2,172,040,735.84</u>	<u>2,056,163,548.63</u>	<u>1,719,566,874.38</u>	<u>462,735,116.30</u>	<u>452,473,861.46</u>
Less: Elimination of the inter-segment transactions	=	=	=	=	=	=
Total	<u>2,518,898,664.93</u>	<u>2,172,040,735.84</u>	<u>2,056,163,548.63</u>	<u>1,719,566,874.38</u>	<u>462,735,116.30</u>	<u>452,473,861.46</u>

### (2) Segment information – by region

Region	Revenue from business	Cost of business	Gross profit
--------	-----------------------	------------------	--------------



	Reporting period	Corresponding period of last year	Reporting period	Corresponding period of last year	Reporting period	Corresponding period of last year
China	2,201,248,800.86	1,986,938,001.94	1,780,628,776.23	1,563,591,684.84	420,620,024.63	423,346,317.10
Overseas	<u>317,649,864.07</u>	<u>185,102,733.90</u>	<u>275,534,772.40</u>	<u>155,975,189.54</u>	<u>42,115,091.67</u>	<u>29,127,544.36</u>
Less: Elimination of the inter-segment transactions						
Total	<u>2,518,898,664.93</u>	<u>2,172,040,735.84</u>	<u>2,056,163,548.63</u>	<u>1,719,566,874.38</u>	<u>462,735,116.30</u>	<u>452,473,861.46</u>
	<u>2,518,898,664.93</u>	<u>2,172,040,735.84</u>	<u>2,056,163,548.63</u>	<u>1,719,566,874.38</u>	<u>462,735,116.30</u>	<u>452,473,861.46</u>

In the reporting period the total revenue from the top five clients of the Company amounted to RMB 875,980,664.64, accounting for 34.78% of the total sales revenue.

## 29. Taxes and surcharges relating to primary businesses

	Reporting period	Corresponding period of last year
BT	-	-
City construction and maintenance tax	50,606.27	24,855.05
Educational surcharge	151,818.85	67,727.40
Total	<u>202,425.12</u>	<u>92,582.45</u>

## 30. Profit from other businesses

	The reporting period		Corresponding period of last year	
	Revenue	Cost (inclusive of taxes )	Revenue	Cost (inclusive of taxes )
Rental	1,074,498.20	59,445.16	1,543,326.26	296,863.59
Sales of materials and scrapped materials	21,122,549.43	6,601,328.82	23,046,644.28	21,701,941.26
Total	<u>22,197,047.63</u>	<u>6,660,773.98</u>	<u>24,589,970.54</u>	<u>21,998,804.85</u>

## 31. Financial expenses

	Reporting period	Corresponding period of last year
Interest expenses	32,194,084.39	34,240,538.27
Less: interest income	2,211,949.53	2,567,951.07
Exchange losses	10,032.72	8,617,007.26
Less: exchange gains	4,124,415.54	9,549,137.85
Others	<u>851,082.34</u>	<u>697,756.13</u>
Total	<u>26,718,834.38</u>	<u>31,438,212.74</u>

## 32. Investment income

	Reporting period	Corresponding period of last year
Income from investments in shares	465,432.60	13,200.60
The Company's share in the net profits/losses of the investee accounted for using equity method	-7,978,789.01	-3,634,896.93
Amortization of equity investment differences	-1,794,350.16	-1,794,350.16
Gain /loss on disposal of equity investment	-694,162.00	420,000.00
Provision for impairment of long-term investment	-79,963.39	-
Other investment income	<u>-10,081,831.96</u>	<u>-4,996,046.49</u>
Total		

There is no significant restriction on the remittance of investment income.

## 33. Subsidy income

Amount	Source	Approving document	Authority
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	Reporting period	Corresponding period of last year			
Interest subsidy granted by the Bureau of Finance	136,000.00	289,308.00	Bureau of Jinshan District, Shanghai	Jinfu (1998)15	People's government of Jinshan Province, Shanghai
Total	<u>136,000.00</u>	<u>289,308.00</u>			

#### 34. Other cash received relating to operating activities

This mainly consists of the following:

	<u>For the period from January to June 2005</u>
Return dispatch fee	1,940,475.20
Return premium	361,600.00
Amount received for water and electricity	348,341.07

#### 35. Cash paid relating to other operating activities

This mainly consists of the following:

	<u>For the period from January to June 2005</u>
Transportation	1,366,835.82
Handling charge	1,132,490.46
Board of director's fee	935,780.60
Traveling fee	657,241.73
R&D expenditure	524,063.17
Auditors fee	499,524.28

#### 36. Cash paid relating to other financing activities

This mainly consists of the following:

	<u>For the period from January to June 2005</u>
Donation	150,000.00

### VI. Major items in the financial statements of parent company

#### 1. Accounts receivable

Aging	<u>June 30, 2005</u>				<u>January 1, 2005</u>			
	Amount	Proportion to total accounts receivable (%)	Provision for bad debts (%)	Provision for bad debts	Amount	Proportion to total accounts receivable (%)	Provision for bad debts (%)	Provision for bad debts
Within 6 months	-	-	-	-	81,377.27	92.77	-	-
Within 1 year	-	-	-	-	-	-	2.00	-
1-2 years (including 2 years)	-	-	-	-	6,339.00	7.23	20.00	1,267.80
2-3 years (including 3 years)	-	-	-	-	-	-	40.00	-
Over 3 years	-	-	-	-	-	-	95.00	-
Total	=	=	=	=	<u>87,716.27</u>	<u>100.00</u>	<u>1.45</u>	<u>1,267.80</u>

Of the ending balance, there is no amount due from related parties.

#### 2. Other receivables

Aging	Amount	<u>June 30, 2005</u>			Amount	Proportion to total other	<u>January 1, 2005</u>	
		Proportion to total other	Provision for bad	Provision for bad debts			Provision for bad	Provision for bad debts

		receivables (%)	debts (%)			receivables (%)	debts (%)		
Within 1 year	103,151.43	1.17	-	-	26,594.78	0.29	-	-	-
1-2 years (including 2 years)	-	-	-	-	8,700,000.00	95.73	99.43	8,650,000.00	-
2-3 years (including 3 years)	8,700,000.00	98.83	99.43	8,650,000.00	-	-	-	-	-
Over 3 years	-	-	-	-	361,600.00	3.98	-	-	-
Total	8,803,151.43	100.00	98.26	8,650,000.00	9,088,194.78	100.00	95.18	8,650,000.00	

This mainly consists of the following:

Debtors	June 30, 2005	Descriptions	Aging
Zhejiang Shaoxing Hongtai Equipment Plant	8,650,000.00	Disposal of fixed assets	2-3 years
Money lent to employees for housing	50,000.00	Money temporarily lent	2-3 years

The balance of amounts due from top five debtors is RMB 8,720,200.00, accounting for 99.06% of total balances.

### 3. Long-term investment

(1) The details are as follows:

	Balance				January 1, 2005	Provision for impairment Decrease			
	January 1, 2005	Increase	Decrease	June 30, 2005		Increase	Provisions reversed/written-off	Total	June 30, 2005
I. Long-term equity investments accounted for using equity method	1,544,154,460.39			1,507,568,846.10	-	-	-	-	-
Including: Investments in subsidiaries	1,402,546,895.94	164,744,997.95	201,330,612.24	1,376,393,994.73	-	-	-	-	-
Investments in associated undertakings	141,607,564.45	483,787.33	10,916,500.41	131,174,851.37	-	-	-	-	-
II. Long-term equity investments accounted for using cost method	18,385,216.55	-	2,694,162.00	15,691,054.55	1,894,435.37	146,232.19	66,268.80	66,268.80	1,974,398.76
Including: Investments in shares	18,285,216.55	-	2,694,162.00	15,591,054.55	1,894,435.37	146,232.19	66,268.80	66,268.80	1,974,398.76
Other long-term equity investments	100,000.00	-	-	100,000.00	-	-	-	-	-
Total	1,562,539,676.94	164,744,997.95	204,024,774.24	1,523,259,900.65	1,894,435.37	146,232.19	66,268.80	66,268.80	1,974,398.76

(2) Long-term equity investment (equity method)

Long-term equity investment (equity method)

Name of Investee	Relationship with the parent company	Term of investment (in years)	Proportion of shares held by parent company	Original investment cost	Accumulated increase or decrease of investment cost	Adjustment for the Company's share in the profit /loss of the investee			Reserves on equity investment		June 30, 2005
						Increase in current period	Cash dividend received	Accumulated	Increase in current year	Accumulated	
1	2	3	4	5	6	7	8	9	10	11	(12)=(5)+(6)+(9)+(11)
Shanghai Hitachi Electrical Appliance Co., Ltd.	Subsidiary	Not determined	75%	641,822,523.70	324,281,922.29	156,879,167.32	182,782,500.00	334,652,036.39	-	-	1,300,756,482.38
Shanghai Senlin Electrical Appliances Co., Ltd.	Subsidiary	Not determined	75%	336,992,845.47	938,193.01	-4,750,000.00	-	-286,645,099.64	-	84,968.48	51,370,907.32
Shanghai Jinxuan Real Estate Development Co., Ltd.	Subsidiary	Not determined	100%	17,300,000.00	-	1,600,242.62	-	-6,094,240.94	-	1,050,800.00	12,256,559.06
Shanghai Highly Forging	Subsidiary	18	80%	6,160,000.00	18,400,000.00	3,275,187.87	2,795,530.06	9,314,918.93	-	1,241,560.72	35,116,479.65

Co., Ltd. Shanghai Highly Special Refrigeration Equipment Co., Ltd.	Subsidiary	20	70%	1,450,000.00	5,608,225.34	2,100,107.06	2,174,989.85	3,011,968.61	-	-	10,070,193.95
Shanghai Haiyun Flower Co., Ltd.	Subsidiary	10	80%	800,000.00	-	32,209.41	54,053.02	81,368.84	-	-	881,368.84
Shanghai Highly (Group) Trading Co., Ltd.	Subsidiary	10	80%	4,000,000.00	-	374,296.34	760,000.00	512,164.07	-	-	4,512,164.07
Shanghai Zanussi Electromeccani ca Co., Ltd.	Associate	50	35%	79,690,078.30	-	-2,916,500.41	-	-60,724,358.97	-	139,684.04	19,105,403.37
Hitachi Highly Automobile Parts (Shanghai) Co., Ltd.	Associate	20	33.33%	28,969,150.00	28,968,800.00	-8,000,000.00	-	-13,168,927.41	-	23,262.67	44,792,285.26
Shanghai Highly Nakano Refrigerators Co., Ltd.	Associate	25	43%	<u>70,949,674.92</u>	<u>-5,971,058.00</u>	<u>431,098.59</u>	=	<u>3,088,877.04</u>	=	=	<u>68,067,493.96</u>
Sub-total				<u>1,188,134,272.39</u>	<u>372,226,082.64</u>	<u>153,775,808.80</u>	<u>188,567,072.93</u>	<u>-15,971,293.08</u>	=	<u>2,540,275.91</u>	<u>1,546,929,337.86</u>

### Long-term equity investment difference

Name	Long-term shareholder's equity investment difference				
	Original cost	Description	Term of amortization (in years)	Amount amortized in reporting period	June 30, 2005
Shanghai Hitachi Electrical Appliances Co., Ltd.	36,940,777.70	Note 1	10	1,847,038.90	12,800,746.78
Shanghai Senlin Electrical Appliances Co., Ltd.	-61,109,033.38	Note 2	10	-	-51,370,907.32
Shanghai Highly Nakano Refrigerators Co., Ltd.	<u>-1,053,774.92</u>	Note 3	10	<u>-52,688.74</u>	<u>-790,331.22</u>
Sub-total	<u>-25,222,030.60</u>			<u>1,794,350.16</u>	<u>-39,360,491.76</u>

Note 1: the balance includes (1) exchange difference of the initial investment, RMB 29,300,308.24, and (2) the difference between the amount paid for the 8% of equity interest in Shanghai Hitachi Electrical Appliances Co., Ltd. acquired from Guo Tou Ji Qing Co., Ltd. in 2002 and the Company's share in the owner's equity of Shanghai Hitachi Electrical Appliances Co., Ltd., RMB 7,640,469.46.

Note 2: the balance includes (1) the difference between the amount paid for the 50% equity interest in Shanghai Senlin Electrical Appliances Co., Ltd. acquired from Mitsubishi Electric Co., Ltd. in January 2001 and the Company's share of net assets Shanghai Senlin Electrical Appliances Co., Ltd., RMB -71,811,459.33; (2) the adjustments made to the long-term equity investment difference as stated in (1), resulting retrospective adjustments made to the net assets of Shanghai Senlin Electrical Appliances Co., Ltd. for changes in accounting policies (the adjustment being RMB 6,890,618.96); and (3) the difference between the amount paid for 6% equity interest in Shanghai Senlin Electrical Appliances Co., Ltd. acquired from Shanghai Light Industry Holdings (Group) Co., Ltd. on December 30, 2004 and the Company's share of net assets RMB 3,811,806.99. Since the carrying amount of the long-term investment in Shanghai Senlin Electrical Appliances Co., Ltd. was reduced to zero at the beginning of the year, no amortization is made for the equity investment difference in the reporting period.

Note 3: the balance includes① the difference between the amount paid for the 43% equity interest in Shanghai Highly Nakano Refrigerators Co., Ltd. acquired from Shanghai Shuanglu Refrigerator Co., Ltd. in December 2002 and the Company's share in the owner's equity of Shanghai Highly Nakano Refrigerators Co., Ltd., RMB -1,053,774.92.

(3) Long-term equity investments accounted for using cost method

Long-term investments in shares

Investees	Type of shares	Number of shares	Proportion of capital contribution(%)	Initial investment cost
1. Shanghai Fenghua Ball Pen Co., Ltd.	Shares hold by legal person	475,200	less than5%	1,650,000.00
2. Guancheng Datong Co., Ltd.	Shares hold by legal person	532,480	less than5%	295,454.55
3. Shanghai New Jinjiang Hotel Co., Ltd.	Shares hold by legal person	1,881,792	less than5%	4,622,000.00
4. Shanghai No. 1 Food Department Co., Ltd.	Shares hold by legal person	2,309,163	less than5%	1,640,000.00
5. Shanghai Tyre Rubber (Group) Co., Ltd.	Shares hold by legal person	71,500	less than5%	340,000.00
6. Shanghai Jiabao Industry (Group) Co., Ltd.	Shares hold by legal person	74,880	less than5%	182,000.00
7. Shanghai Yuanshui Co., Ltd.	Shares hold by legal person	220,000	less than5%	600,000.00
8. Tian Di Yuan Co., Ltd.	Shares hold by legal person	198,000	less than5%	554,400.00
9. Shanghai Hualian Department Co., Ltd.	Shares hold by legal person	2,241,641	less than5%	4,547,200.00
10. Shanghai Sanmao Textile Co., Ltd.	Shares hold by legal person	147,840	less than5%	440,000.00
11. Shanghai Linguang Industry Co., Ltd.	Shares hold by legal person	136,620	less than5%	110,000.00
12. Shanghai Electricity Transmission and Distribution Co., Ltd.	Shares hold by legal person	120,000	less than5%	440,000.00
13. Shanghai 3F New Materials Co., Ltd.	Shares hold by legal person	<u>171,608</u>	less than5%	<u>170,000.00</u>
Sub-total		<u>8,580,724</u>		<u>15,591,054.55</u>

Provision for impairment

	January 1, 2005	Increase	Decrease		Total	June 30, 2005	Reason
			Provisions reversed/written-off	Transfer-out for other reasons*			
1. Shanghai Fenghua Ball Pen Co., Ltd.	1,022,736.00	-	20,908.80	-	20,908.80	1,001,827.20	
2. Guancheng Datong Co., Ltd.	243,403.60	-	12,798.60	-	12,798.60	230,605.00	
3. Shanghai New Jinjiang Hotel Co., Ltd.	66,834.56	3,744.00	-	-	-	70,578.56	The carrying amount exceeds the expected recoverable amount.
4. Shanghai No. 1 Food Department Co., Ltd.	193,901.40	-	9,761.40	-	9,761.40	184,140.00	
5. Shanghai Tyre Rubber (Group) Co., Ltd.	68,359.81	142,488.19	-	-	-	210,848.00	
6. Shanghai Jiabao Industry (Group) Co., Ltd.	110,000.00	-	-	-	-	110,000.00	
7. Shanghai Yuanshui Co., Ltd.	<u>189,200.00</u>	-	<u>22,800.00</u>	-	<u>22,800.00</u>	<u>166,400.00</u>	
Sub-total	<u>1,894,435.37</u>	<u>146,232.19</u>	<u>66,268.80</u>	=	<u>66,268.80</u>	<u>1,974,398.76</u>	

Other long-term equity investments accounted for using cost method

Investee	Term of investment (in years)	Investment	Proportion of capital contribution (%)
Er Qing sales company	24	100,000.00	0.36%

There is no such situation as significant restriction imposed on the realization of investment.

The closing balance of investment accounts for 111.92% of the closing balance of the net assets.

#### 4. Revenue from primary business and costs of primary business

Industry	Revenue from business		Cost of business		Gross profit	
	Reporting period	Corresponding period of last year	Reporting period	Corresponding period of last year	Reporting period	Corresponding period of last year
Sales of automobile parts	4,924,427.52	6,394,221.89	4,543,004.43	5,596,607.28	381,423.09	797,614.61
Total	4,924,427.52	6,394,221.89	4,543,004.43	5,596,607.28	381,423.09	797,614.61

#### 5. Investment income

	Reporting period	Corresponding period of last year
Income from investments in shares	465,432.60	13,200.60
The Company's share in the net profits/losses of the investee accounted for using equity method	153,775,808.80	141,451,794.28
Amortization of equity investment differences	-1,794,350.16	-1,794,350.16
Gain/loss on disposal of equity investment	-694,162.00	420,000.00
Provision for impairment of long-term investment	-79,963.39	-
Other investment income		
Total	151,672,765.85	140,090,644.72

There is no such situation as significant restriction imposed on the remittance of investment income.

### VII. Related party transactions

#### 1. Related party relationship where control exists

##### (1) Related parties with effective control

Name of companies	Registered address	Primary businesses	Relationship with the Company	Nature/Type of business	Legal representative
Shanghai Light Industry Holdings Group Co. Ltd.	Shanghai, China	Management of state-owned assets within the authorization	Parent company	State-owned enterprise	Lv Yong Jie
Shanghai Hitachi Electrical Appliances Co., Ltd.	Shanghai, China	Manufacture and sale of household air-conditioner compressors	Subsidiary	Limited liability company	Yu You Yong
Shanghai Senlin Electrical Appliances Co., Ltd.	Shanghai, China	Manufacture and sale of refrigeration compressors	Subsidiary	Limited liability company	Yu You Yong
Shanghai Jinxuan Real Estate Development Co., Ltd.	Shanghai, China	Real estate development	Subsidiary	Collectively owned enterprise	Qian Guo Qiang
Shanghai Highly Forging Co., Ltd.	Shanghai, China	Forging parts, metals processing, heat treatment, mechanical processing	Subsidiary	limited liability company	Fen Jia Wei
Shanghai Haiyun Flower Co., Ltd.	Shanghai, China	Manufacture and sale of artificial flowers	Subsidiary	Limited liability company	Hu Jian Wei
Shanghai Highly Special Refrigeration Equipment Co., Ltd.	Shanghai, China	Refrigeration, temperature control equipment and related products	Subsidiary	Limited liability company	Shen Jian Fang
Shanghai Highly Group Trading Co., Ltd.	Shanghai, China	Import & export of various commodities and technology, sales of refrigeration equipment and components and parts, electromechanical equipment and parts etc.	Subsidiary	Limited liability company	Li Li

##### (2) Registered capital of related parties with effective control and changes therein

(RMB '0000, USD '000)

Name	January 1, 2005	Increase	Decrease	Closing balance
Shanghai Light Industry Holdings Group Co.	365,330			365,330
Shanghai Hitachi Electrical Appliances Co., Ltd.	USD159,040			USD159,040
Shanghai Senlin Electrical Appliances Co., Ltd.	USD60,000			USD60,000
Shanghai Jinxuan Real Estate Development Co., Ltd.	1,730			1,730
Shanghai Highly Forging Co., Ltd.	3020			3,070
Shanghai Haiyun Flower Co., Ltd.	100			100
Shanghai Highly Special Refrigeration Equipment Co., Ltd.	1,000			1,000
Shanghai Highly Group Trading Co., Ltd.	500			500

##### (3) Equity of the related parties with effective control attributable to the Company (or the related party) and changes therein

(RMB '0000, USD '000)

	<u>January 1, 2005</u>		<u>Increase</u>		<u>Decrease</u>		<u>June 30, 2005</u>	
	Amount	%	Amount	%	Amount	%	Amount	%
Shanghai Light Industry Holdings Group Co.	14,400	31.53					14,400	31.53
Shanghai Hitachi Electrical Appliances Co., Ltd.	USD11,928	75					USD11,928	75
Shanghai Senlin Electrical Appliances Co., Ltd.	USD4,500	75					USD4,500	75
Shanghai Jinxuan Real Estate Development Co., Ltd.	1,730	100					1,730	100
Shanghai Highly Forging Co., Ltd.	2,456	80					2,456	80
Shanghai Haiyun Flower Co., Ltd.	80	80					80	80
Shanghai Highly Special Refrigeration Equipment Co., Ltd.	700	70					700	70
Shanghai Highly Group Trading Co., Ltd.	400	80					400	80

## 2. Related party relationship where control does not exist

Name	Relationship with the Company
Shanghai Highly Nakano Refrigerators Co., Ltd	Associate
Shanghai Zanussi Electromeccanica Co., Ltd.	Associate
Hitachi Highly Automobile Parts (Shanghai) Co., Ltd.	Associate

## 3. Related party transactions

### (1) Purchase

#### a. Purchases from related parties

The details are as follows:

Name	<u>For the period from January to June 2005</u>			Pricing criteria	Name	<u>For the period from January to June 2004</u>		
	Amount	Proportion to total sales of the year (%)				Amount	Proportion to total sales of the year (%)	
Shanghai Highly Special Refrigeration Equipment Co., Ltd.	5,538,421.47	0.28		Market price	Shanghai Highly Special Refrigeration Equipment Co., Ltd.	-	-	
Shanghai Highly (Group) Trading Co., Ltd.	1,338,365.65	0.07		Market price	Shanghai Highly (Group) Trading Co., Ltd.	14,235,441.88	1.19	
Shanghai Highly Special Refrigeration Equipment Co., Ltd.	16,068.38	Less than 0.01		Market price	Shanghai Highly Special Refrigeration Equipment Co., Ltd.	180,000.00	0.02	

The prices at which the Company makes purchases from related parties are determined by market prices. In the first half year of 2005 and 2004, the prices at which the Company made purchases from related parties are the same as those available to the Company in transactions with external parties, i.e. the prevailing market prices.

### (2) Sales

The details are as follows:

Name	<u>For the period from January to June 2005</u>			Pricing criteria	Name	<u>For the period from January to June 2004</u>		
	Amount	Proportion to total sales of the year (%)				Amount	Proportion to total sales of the year (%)	
Shanghai Highly Special Refrigeration Equipment Co., Ltd.	-	-			Shanghai Highly Special Refrigeration Equipment Co., Ltd.	69,085.47	Less than 0.01	Market price
Shanghai Zanussi Electromeccanica Co., Ltd.	2,516,709.12	0.10		Market price	Shanghai Zanussi Electromeccanica Co., Ltd.	2,061,849.80	0.09	Market price

The prices at which the Company makes sales to related parties are determined by market prices. In the first half of years 2005 and 2004, the prices at which the

Company made sales to related parties are the same as those available to the Company in transactions with external parties, i.e. the prevailing market prices.

(3) Accounts receivable from or payable to related parties

The details are as follows:

	<u>As at</u>		<u>Proportion to the total (%)</u>	
	June 30, 2005	June 30, 2004	June 30, 2005	June 30, 2004
<b>Accounts receivable</b>				
Shanghai Zanussi Electromeccanica Co., Ltd.	3,067,131.55	2,837,223.88	0.41	1.03
<b>Notes receivable</b>				
Shanghai Zanussi Electromeccanica Co., Ltd.	-	872,800.00	-	0.21
Shanghai Highly Special Refrigeration Equipment Co., Ltd.	-	400,000.00	-	0.10
<b>Advances to suppliers</b>				
Shanghai Zanussi Electromeccanica Co., Ltd.	-	1,883,654.38		12.17
<b>Notes payable</b>				
Shanghai Highly (Group) Trading Co., Ltd.	600,816.13	-	0.30	-
<b>Accounts payable</b>				
Shanghai Zanussi Electromeccanica Co., Ltd.	66,298.75	-	0.01	-
Shanghai Highly (Group) Trading Co., Ltd.	23,240.00	-	Less than 0.01	0.94

(4) Other related party transactions that need disclosure

a. The Company provides joint and several guarantee for the loans borrowed by the subsidiaries within the consolidation scope, the amount of which is RMB 214,587,100.

Name	As at June 30, 2005	As at June 30, 2004
Shanghai Senlin Electrical Appliances Co., Ltd.	186,587,100.00 *	369,829,500.00
Shanghai Highly Forging Co., Ltd.	28,000,000.00	29,600,000.00

\* The Company provided guarantee for the borrowing made by Shanghai Senlin Electrical Appliances Co., Ltd., the ceiling of which is RMB 186,587,100.

The Company provided guarantee for the bank acceptance drafts issued by Shanghai Senlin Electrical Appliances Co., Ltd., the ceiling of which is RMB 75 million. The actual amount guaranteed is RMB 63.56 million.

The Company provided guarantee for the L/C issued by Shanghai Senlin Electrical Appliances Co., Ltd., the ceiling of which is RMB 1 million. The actual amount guaranteed is RMB 8.16 million.

b. The Company provides guarantee for the borrowings of the following entities:

Name	As at June 30, 2005		As at June 30, 2004
Shanghai Zanussi Electromeccanica Co., Ltd.	93,500,000.00	Note 1	99,000,000.00
Shanghai Highly Special Refrigeration Equipment Co., Ltd.	10,000,000.00		4,000,000.00
Shanghai Highly (Group) Trading Co., Ltd.	2,000,000.00	Note 2	2,000,000.00

Note 1: In addition to the guarantee provided by the Company for the borrowings made by Shanghai Zanussi Electromeccanica Co., Ltd. amounting to RMB 93.5 million (as shown in the table above), the Company also provided guarantee for the bank acceptance drafts issued by it, the ceiling of which is RMB 10 million and the actual guaranteed amount is RMB 10 million.

Meanwhile, Shanghai Zanussi Electromeccanica Co., Ltd. provided counterguarantee for the Company using 30% of the property right of the real estate (HFDSZ ( 2001 ) No. 00595 2001006054). The total counterguaranteed amount is RMB 103.5 million.

Note 2: The Company provided guarantee for the borrowing RMB 2 million of Shanghai Highly (Group) Trading Co., Ltd. it also provided guarantee for the bank



acceptance issued by Shanghai Highly (Group) Trading Co., Ltd., and the guarantee amount is RMB 4.79 million.

c. The Company charges rental on the following companies:

]	From January to June 2005	From January to June 2004
Shanghai Haiyun Flower Co., Ltd.	139,855.20	-
Shanghai Highly Special Refrigeration Equipment Co., Ltd.	202,422.00	331,890.00

## VIII. Contingencies

1. The Company provides guarantees for the borrowings of the following entities, the total of which is RMB 105.5 million.

Name	As at June 30, 2005	As at June 30, 2004
Shanghai Zanussi Electromeccanica Co., Ltd.	93,500,000.00 *1	99,000,000.00
Shanghai Highly Special Refrigeration Equipment Co., Ltd.	10,000,000.00	4,000,000.00
Shanghai Highly (Group) Trading Co., Ltd.	2,000,000.00 *2	2,000,000.00

Note 1: In addition to the guarantee provided by the Company for the borrowings made by Shanghai Zanussi Electromeccanica Co., Ltd. amounting to RMB 93.5 million (as shown in the table above), the Company also provided guarantee for the bank acceptance drafts issued by it, the ceiling of which is RMB 10 million and the actual guaranteed amount is RMB 10 million.

Meanwhile, Shanghai Zanussi Electromeccanica Co., Ltd. provided counterguarantee for the Company using 30% of the property right of the real estate (HFDSZ ( 2001 ) No. 00595 2001006054). The total counterguaranteed amount is RMB 103.5 million.

Note 2: The Company provided guarantee for the borrowing RMB 2 million of Shanghai Highly (Group) Trading Co., Ltd. it also provided guarantee for the bank acceptance issued by Shanghai Highly (Group) Trading Co., Ltd., and the guarantee amount is RMB 4.79 million.

2. Details of the notes discounted

	As at June 30, 2005	As at December, 2004
Discounted trade acceptance not, yet not due	28,202,741.00	
Endorsed trade acceptance note, yet not due		172,440,187.14

3. The lawsuit brought about by Qingpu County Credit Union against Shanghai Jinxuan Real Estate Development Co., Ltd. ("Jinxuan"), a subsidiary of the Company, for the controversy over commercial paper has been specifically disclosed in the 2004 annual report.

The civil ruling paper issued by Shanghai No. II Intermediate Court dated November 24, 2003 suspended the execution of the paper of civil judgment (2002) HEZMS (TRADING)CZD 376 issued by Shanghai No. II Intermediate Court. No further information about the lawsuit has been obtained.

## IX. Commitments

Signed commitments	Committed amount for the later half of 2005
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Shanghai Hitachi Electrical Materials procurement for	RMB 66,392,800.00
Appliances Co., Ltd., Construction	
Shanghai Hitachi Electrical Materials procurement for	USD 7,300,000.00
Appliances Co., Ltd., Construction	

## X. Post Balance Sheet Date Events

1. The Company provided additional guarantee RMB 20,000,000.00 for the borrowing of Shanghai Zanussi Electromeccanica Co., Ltd., with a term of 6 months.
2. Distribution of the profit for the year 2004: As passed a the shareholder's meeting, after the Company appropriated 10% of the after-tax profit for the year 2004 to statutory revenue reserve and public welfare fund respectively, it declared a dividend of 0.2 yuan per share based on the share number as at the end of 2004. The ex-dividend date is July 20, 2005, the cash payment date is July 26, 2005 for A shares and July 29, 2005 for B shares.

## XI. Other Important Matters

Impact of the exceptional items on the consolidated net profits

According to CSRC's *Information Disclosure Q&A for Listed Companies No. 1: exceptional items* (Revised 2004), the exceptional s are defined as those revenues and expenditures that have no direct relation with business operations, or otherwise affect the true and fair view of the normal profitability due to its nature, amount or frequency of occurrence. The impact of the exceptional s on the consolidated net profits are as follows:

Description	Impact of the exceptional s on the consolidated profits for the reporting period	Impact of the exceptional s on the consolidated profits for the corresponding period of last year	
Interest on funds used by others	Interest on funds used by others	1,041,285.37	1,088,404.52
Investment income	Gain on disposal of long-term equity investment	-694,162.00	420,000.00
Reversal of provision for impairment of inventories	Recovery of assets value	156,649.19	-
Subsidy income	Subsidy granted by the government	72,896.00	231,446.40
Reversal of provision for impairment of long-term investment	Recovery of assets value	66,268.80	-
Non-operating income / expenditure	Reversal of provision for impairment of assets	360,000.00	-
Non-operating income / expenditure	Others	<u>-641,327.96</u>	<u>-276,720.50</u>
Total		<u>361,609.40</u>	<u>1,463,130.42</u>

## XII. Approval of financial statements issuance

The financial statements for the period ended June 30, 2005 have been approved at the second meeting of the fourth board of directors on August 10, 2005.

### XIII. Supplements:

#### 1. Attachment to the Income Statement

Profit made in the reporting period	Return on net assets (%)		EPS (RMB yuan/share)	
	Fully diluted	Weighted average	Fully diluted	Weighted average
Profits from primary business	34.19%	33.69%	1.01	1.01
Profits from operating activities	21.27%	20.96%	0.63	0.63
Net profits	12.94%	12.75%	0.38	0.38
Net profits before exceptional items	12.91%	12.72%	0.38	0.38

#### 2. Schedule of provision for impairment of assets-consolidated

	January 1, 2005	Increase	Decrease			June 30, 2005
			Reversal due to recovery in value of assets	Reversal/transfer-outs for other reasons	Sub-total	
1. Provision for bad debts – total	15,813,042.89	162,388.45	-	1,267.80	1,267.80	15,974,163.54
Incl: Accounts receivable	7,163,042.89	162,388.45	-	1,267.80	1,267.80	7,324,163.54
Other receivables	8,650,000.00	-	-	-	-	8,650,000.00
2. Provision for impairment of short-term investment-total	-	-	-	-	-	-
Incl: investment in shares	-	-	-	-	-	-
Investments in bonds	-	-	-	-	-	-
3. Provision for impairment of inventories-total	20,044,328.29	2,834,853.00	208,865.59	7,937,354.99	8,146,220.58	14,732,960.71
Incl: commodities in stock	4,120,058.24	2,834,853.00	208,865.59	3,759,966.41	3,968,832.00	2,986,079.24
WIP	384,965.26	-	-	384,965.26	384,965.26	-
Raw materials	15,539,304.79	-	-	3,792,423.32	3,792,423.32	11,746,881.47
4. Provision for impairment of long-term investments-total	1,894,435.37	146,232.19	66,268.80	-	66,268.80	1,974,398.76
Incl: long-term equity investments	1,894,435.37	146,232.19	66,268.80	-	66,268.80	1,974,398.76
Long-term investment in bonds	-	-	-	-	-	-
5. Provision for impairment of fixed assets-total	9,388,544.22	-	-	32,817.00	32,817.00	9,355,727.22
Incl: Machinery and equipment	6,803,201.62	-	-	-	-	6,803,201.62
Transportation equipment	-	-	-	-	-	-
Office equipment	108,806.17	-	-	32,817.00	32,817.00	75,989.17
Others	2,476,536.43	-	-	-	-	2,476,536.43
6. Provision for impairment of intangible assets	-	-	-	-	-	-
Incl: Patents	-	-	-	-	-	-
Trademark	-	-	-	-	-	-

7.	Provision for impairment of construction in progress	14,132,905.52	-	360,000.00	1,767,100.99	2,127,100.99	12,005,804.53
8.	Provision for impairment of designated loan	-	-	-	-	-	-

### Schedule of provision for impairment of assets-parent

	January 1, 2005	Increase	Decrease			June 30, 2005	
			Reversal due to recovery in value of assets	Reversal/transfer-outs for other reasons	Sub-total		
1.	Provision for bad debts – total	8,651,267.80	-	-	1,267.80	1,267.80	8,650,000.00
	Incl: Accounts receivable	1,267.80	-	-	1,267.80	1,267.80	-
	Other receivables	8,650,000.00	-	-	-	-	8,650,000.00
2.	Provision for impairment of short-term investment-total	-	-	-	-	-	-
	Incl: investment in shares	-	-	-	-	-	-
	Investments in bonds	-	-	-	-	-	-
3.	Provision for impairment of inventories-total	-	-	-	-	-	-
	Incl: commodities in stock	-	-	-	-	-	-
	WIP	-	-	-	-	-	-
	Raw materials	-	-	-	-	-	-
4.	Provision for impairment of long-term investments-total	1,894,435.37	146,232.19	66,268.80	-	66,268.80	1,974,398.76
	Incl: long-term equity investments	1,894,435.37	146,232.19	66,268.80	-	66,268.80	1,974,398.76
	Long-term investment in bonds	-	-	-	-	-	-
5.	Provision for impairment of fixed assets-total	1,932,135.93	-	-	32,817.00	32,817.00	1,899,318.93
	Incl: Machinery and equipment	1,821,539.35	-	-	-	-	1,821,539.35
	Transportation equipment	-	-	-	-	-	-
	Office equipment	108,806.17	-	-	32,817.00	32,817.00	75,989.17
	Others	1,790.41	-	-	-	-	1,790.41
6.	Provision for impairment of intangible assets	-	-	-	-	-	-
	Incl: Patents	-	-	-	-	-	-
	Trademark	-	-	-	-	-	-
7.	Provision for impairment of construction in progress	360,000.00	-	360,000.00	-	360,000.00	-
8.	Provision for impairment of designated loan	-	-	-	-	-	-

### 3. Explanation on extraordinary changes in the financial statements:

- (1) The closing balance of cash is RMB 323,860,000, increasing by 60.80% over the opening balance RMB 201,400,000, which is mainly due to the increase in notes received which are discounted.

- (2) The closing balance of account receivable is RMB 747,870,000, increasing by 170.38% over the opening balance RMB 276,660,000, which is mainly due to the increase in sales which need some time to collect.
- (3) The closing balance of construction in process is RMB 349,950,000, increasing by 80.11% over the opening balance RMB 194,300,000, which is mainly due to the investment in the technology building of the subsidiary, TH capacity increment project, SL/TL 2<sup>nd</sup> project and G capacity increment project.
- (4) The closing balance of notes payable is RMB 199,710,000, increasing by 383.55% over the opening balance RMB 194,300,000, which is mainly due to the increase in purchase of raw materials, most of which is settled in notes.
- (5) The net cash inflow from operating activities in the reporting period is RMB 477,740,000, increasing by 134.6% over that of the corresponding period of last year, RMB 203,640,000, which is mainly due to increase in notes receivable which are discounted.

## **CHAPTER 8**

### **INDEX OF DOCUMENTS**

- I. The Interim Report with the signature of the Chairman of The Board of Directors;
- II. The financial statements signed and sealed by the responsible person and the chief accountant of the Company as well as the responsible person of the accounting institution.
- III. All files published publicly within the Report Period on the newspapers and periodicals that the Chinese Securities Regulatory Commission designates.
- IV. The Articles of Association of the Company;
- V. The Interim Report of the Company published on *Ta Kung Pao (Hong Kong)*;
- VI. Other relevant materials.

SHANGHAI HIGHLY (GROUP) CO. LTD  
Chairman of The Board of Directors:

August 12, 2005