

上海永久股份有限公司

600818

2005 年半年度报告

二〇〇五年八月十八日

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## 一、重要提示

- 1、本公司董事会及其董事保证本报告所载资料不存在任何虚假记载、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、段祺华独立董事因公出差未能出席审议本报告的四届十七次董事会。
- 3、公司半年度财务报告未经审计。
- 4、公司负责人顾觉新，主管会计工作负责人孙云芳，会计机构负责人（会计主管人员）霍恩宇声明：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：上海永久股份有限公司  
公司英文名称：Shanghai Forever Co., Ltd  
公司英文名称缩写：SFC
- 2、公司 A 股上市交易所：上海证券交易所  
公司 A 股简称：上海永久  
公司 A 股代码：600818  
公司 B 股上市交易所：上海证券交易所  
公司 B 股简称：永久 B 股  
公司 B 股代码：900915
- 3、公司注册地址：上海市南汇区康桥镇康士路 17 号 273 室  
公司办公地址：上海市辽源西路 209 号  
邮政编码：200092  
公司国际互联网网址：www.cnforever.com  
公司电子信箱：cnforever@cnforever.com
- 4、公司法定代表人：顾觉新
- 5、公司董事会秘书：袁志坚  
电话：021-65136974  
传真：021-65139966  
E-mail：yzj818@sina.com  
联系地址：上海市辽源西路 209 号  
公司证券事务代表：谷露蓉  
电话：021-65135295  
传真：021-65139966  
E-mail：cnforever@cnforever.com  
联系地址：上海市辽源西路 209 号
- 6、公司信息披露报纸名称：上海证券报、香港商报  
登载公司年度报告的中国证监会指定国际互联网网址：www.sse.com.cn  
公司年度报告备置地点：公司董事会秘书室

### （二）主要财务数据和指标

#### 1 主要会计数据和财务指标

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 (%)
		调整后	调整前	
		单位: 元 币种: 人民币		
流动资产	408,478,580.08	459,196,940.63	459,196,940.63	-11.05
流动负债	381,947,946.00	445,388,897.16	445,388,897.16	-14.24
总资产	663,681,321.22	707,705,706.82	707,705,706.82	-6.22

股东权益 (不含少数股东权益)	252,597,939.90	232,678,644.47	232,678,644.47	8.55
每股净资产	0.95	0.88	0.88	7.95
调整后的每股净资产	0.93	0.85	0.85	9.41
	报告期 (1 - 6 月)	上年同期		本报告期比上年同期增减 (%)
		调整后	调整前	
净利润	20,195,306.94	22,430,369.45	22,430,369.45	-9.94
扣除非经常性损益后的净利润	18,755,713.26	15,313,439.43	15,313,439.43	22.48
每股收益	0.076	0.084	0.084	-9.52
净资产收益率 (%)	8.00	12.63	12.63	减少 4.63 个百分点
经营活动产生的现金流量净额	-52,843,852.42	6,336,094.14	6,336,094.14	934.01

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	96,661.69
各种形式的政府补贴	612,401.80
扣除资产减值准备后的其他各项营业外收入、支出	-181,690.34
以前年度已经计提各项减值准备的转回	925,502.28
所得税影响数	13,281.75
合计	1,439,593.68

3 国内外会计准则差异

单位: 元 币种: 人民币

项目	净利润		股东权益	
	本期数	上期数	期初数	期末数
按中国会计制度	20,195,306.94	22,430,369.45	232,678,644.47	252,597,939.90
按国际会计准则	21,515,306.94	23,750,369.45	211,844,000.00	254,827,573.65

4 按中国证监会发布的《公开发行证券公司信息披露编报规则》第 9 号的要求计算的净资产收益率及每股收益

单位: 元 币种: 人民币

报告期利润	净资产收益率 (%)		每股收益	
	全面摊薄	加权平均	全面摊薄	加权平均
主营业务利润	31.40	32.69	0.299	0.299
营业利润	7.21	7.51	0.069	0.069
净利润	8.00	8.32	0.076	0.076
扣除非经常性损益后的净利润	7.43	7.73	0.071	0.071

三、股本变动及股东情况

(一) 股本变动情况

单位: 股

	期初值	本次变动增减 (+, -)					小计	期末值
		配股	送股	公积金转股	增发	其他		
一、未上市流通股份								
1、发起人股份								
其中:								
国家持有股份	26,569,430						26,569,430	
境内法人持有股份	143,640,000						143,640,000	
境外法人持有股份								
其他								
2、募集法人股份	11,500,000						11,500,000	
3、内部职工股								
4、优先股或其他								
未上市流通股份合计	181,709,430						181,709,430	

二、已上市流通股份							
1、人民币普通股	14,950,000						14,950,000
2、境内上市的外资股	69,000,000						69,000,000
3、境外上市的外资股							
4、其他							
已上市流通股份合计	83,950,000						83,950,000
三、股份总数	265,659,430						265,659,430

报告期内没有因送股、配股等原因引起公司股份总数及结构的变动。

(二) 股东情况

1、报告期末股东总数为 13173 (其中 A 股 : 6334 ; B 股 : 6839) 户。

2、前十名股东持股情况

单位: 股

股东名称(全称)	报告期内增减	报告期末持股数量	比例(%)	股份类别(已流通或未流通)	质押或冻结情况	股东性质(国有股东或外资股东)
上海中路(集团)有限公司	0	143,640,000	54.07	未流通	无	法人股东
上海市国有资产管理办公室(上海轻工控股集团公司管理)	0	26,569,430	10	未流通	无	国有股东
上工股份有限公司	0	4,450,500	1.68	未流通	无	法人股东
MERRILL LYNCH FAR EAST LTD.	113,600	4,036,383	1.52	已流通	未知	外资股东
BIN LIANG	0	2,803,787	1.06	已流通	未知	外资股东
陈杰	833,822	2,504,914	0.94	已流通	未知	外资股东
陈平	0	1,401,248	0.53	已流通	未知	外资股东
陈尔愈	-20,000	1,294,500	0.49	已流通	未知	外资股东
DRAGON BILLION CHINA FUND	1,000,000	1,000,000	0.38	已流通	未知	外资股东
沈爱娟	0	644,400	0.24	已流通	未知	外资股东

前十名股东关联关系或一致行动人的说明

上海轻工控股(集团)公司(以下称上海轻工)为本公司第三大股东上工股份有限公司(以下称上工股份)的国有股授权管理者,除此之外,本公司未知上述股东之间是否存在关联关系或属于《上市公司股东持股变动信息披露管理办法》规定的一致行动人。

(1) 控股股东情况说明

公司名称: 上海中路(集团)有限公司

法人代表: 陈荣

注册资本: 300,000,000 元人民币

成立日期: 1998 年 12 月 3 日

主要经营业务或管理活动: 高科技项目开发, 信息与生物技术, 国内贸易(除专项规定), 投资管理, 房地产开发与物业管理, 文化传播, 种植, 养殖, 农副产品加工(上述经营范围涉及许可经营的凭许可证经营)。

(2) 实际控制人情况

自然人姓名: 陈荣

国籍: 中国

是否取得其他国家或地区居留权: 无

最近五年内职务: 上海中路实业有限公司(以下称中路实业)董事长兼总经理。现任中路集团董事长、政协上海市常委、上海市南汇区人大代表、上海市工商业联合会副会长、上海市私营企业协会副会长、中国保龄球协会副主席。

陈荣先生直接持有中路集团 76.14% 的股份, 合并共计持有 96.48% 的股份, 为中路集团的实际控制人。

(3) 控股股东及实际控制人变更情况

本报告期内公司控股股东及实际控制人没有发生变更。

3、前十名流通股股东持股情况

股东名称	期末持有流通股的数量	种类(A、B、H股或其它)
MERRILL LYNCH FAR EAST LTD	4,036,383	B股
BIN LIANG	2,803,787	B股
陈杰	2,504,914	B股
陈平	1,401,248	B股
陈尔愈	1,294,500	B股
DRAGON BILLION CHINA FUND	1,000,000	B股
沈爱娟	644,400	B股
WAN PING	573,400	B股
方伊君	530,000	B股
王爱娟	361,220	B股

前十名流通股股东关联关系的说明

公司未知前 10 名流通股股东之间是否存在关联关系或一致行动人。

前十名流通股股东和前十名股东之间关联关系的说明

公司未知前 10 名流通股股东和前 10 名股东之间是否存在关联关系。

4、控股股东及实际控制人变更情况

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

报告期内公司董事、监事、高级管理人员持股未发生变化。

(二) 新聘或解聘公司董事、监事、高级管理人员的情况

报告期内，公司董事、监事、高级管理人员无新聘或解聘情况。

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

报告期内，公司经营持续稳定发展，主营业务盈利能力保持较高的水平。公司中央工厂正按计划进行建设，LPG 燃气助力车成功进入英国市场，电动自行车销售出现大幅增长。

报告期内，公司实现主营业务收入 50869 万元，同比增加 13%；主营业务利润 7930 万元，同比增加 8%；净利润 2019 万元，扣除非经常性损益后的净利润 1875 万元，同比增加 22%。

(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

公司主营业务范围：自行车及零部件、助力车、特种车辆和与自行车相关的配套产品，保龄设备、棋牌设备、聚氨酯材料、手动轮椅车、电动轮椅车；技术咨询、投资兴办企业、销售自产产品。

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

单位: 元 币种: 人民币

分行业	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(%)
工业	185,006,231.21	135,539,848.60	26.74	-2.34	-7.09	16.29
商业	332,845,380.78	303,261,036.92	8.89	12.85	13.68	-7.00
施工企业	653,877.00	110,036.84	83.17	-68.38	-4.65	-11.91

小计	518,505,488.99	438,910,922.36	15.35	6.59	6.34	1.32
内部抵消	9,809,564.71	9,809,564.71	0.00	-74.05	-74.05	0.00
合计	508,695,924.28	429,101,357.65	15.65	13.38	14.44	-4.75
分产品						
自行车业类	466,872,441.33	405,945,038.69	13.05	26.97	27.70	13.55
其中：自行车	221,943,174.75	205,367,510.79	7.47	6.11	7.24	8.44
燃气助动车	125,697,064.99	93,185,202.86	25.87	39.40	42.23	27.34
电动自行车	119,232,201.59	107,392,325.04	9.93	74.37	76.42	10.97
康体产业类	50,979,170.66	32,855,846.83	35.55	-56.31	-65.32	18.79
施工企业	653,877.00	110,036.84	83.17	-68.38	-4.65	94.42
小计	518,505,488.99	438,910,922.36	15.35	6.59	6.34	15.15
内部抵消	9,809,564.71	9,809,564.71		-74.05	-74.05	
合计	508,695,924.28	429,101,357.65	15.65	13.38	14.44	16.43

(3) 主营业务分地区情况表

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同期增减(%)
境内	431,508,204.11	3.02
境外	86,997,284.88	28.73
小计	518,505,488.99	6.59
内部抵消	9,809,564.71	-74.05
合计	508,695,924.28	13.38

(4) 其中：报告期内上市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金额为 0 万元。

(5) 主要控股公司的经营情况及业绩

单位: 元 币种: 人民币

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
上海永久股份有限公司苏州公司	制造	生产、销售自行车	23,000,000.00	19,176,855.49	-1,811,619.76
上海中路实业有限公司	制造	保龄设备及相关产品的研制、生产、销售等	12,580,000.00	372,723,581.27	3,274,498.15
上海中路永久自行车经销有限公司	销售	自行车、童车、助动车、摩托车及零配件、五金交电等销售	1,000,000.00	7,044,035.17	283,319.76

(三) 公司投资情况

1、募集资金使用情况

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、非募集资金项目情况

公司中央工厂购置土地和基建施工已投入近 1 亿元人民币，目前厂房建设已基本完成，即将进入设备安装调试阶段。

(四) 公司财务状况、经营成果分析

1、完成经营计划情况

公司本年度拟订的经营计划收入为 125,000 万元人民币，报告期实际完成 50,869 万元人民币；成本和各项费用 49,260 万元人民币。

## 六、重要事项

### (一) 公司治理的情况

公司按照《公司法》、《证券法》、《上海证券交易所股票上市规则》等相关法律法规和《公司章程》的有关规定，不断完善法人治理结构，建立现代企业制度，规范公司运作，加强公司信息披露工作。对照中国证券监督管理委员会和国家经济贸易委员会联合发布的《上市公司治理准则》的要求，针对本公司的现状，本公司修订了《股东大会议事规则》、《董事会议事规则》、《监事会议事规则》、《总经理工作细则》、《信息披露管理办法（董事会秘书工作细则）》、《独立董事工作细则》、《财务会计管理和内控制度》、《投资者关系管理制度》等公司治理实施细则。公司已经建立独立董事制度和公司信息披露制度。公司还将在以下方面不断完善，即：公司重组后，继续保持与控股股东间的相互独立；公司将根据实际情况，设立董事会各专门委员会；建立董事选举中的累积投票制；签订董事聘任合同；签订经理人员聘任合同，加强对经理人员的绩效评价；建立公司薪酬与激励制度；签订有关关联交易协议等。

### (二) 报告期实施的利润分配方案执行情况

报告期内，公司无利润分配方案、公积金转赠股本方案及其待执行情况。

### (三) 公司中期不进行利润分配，也不进行公积金转增股本

### (四) 重大诉讼仲裁事项

#### 1、重大诉讼仲裁事项的说明

报告期内，美国宾士域保龄球和桌球公司向香港国际仲裁中心提起仲裁，要求下属子公司中路实业赔偿 10 万美元一案，中路实业向香港国际仲裁中心积极提起反诉，要求原告承担多项经济赔偿责任。该案于 2005 年 3 月、5 月、6 月、8 月在香港正式开庭审理，。

### (五) 报告期内公司收购及出售资产、吸收合并事项

本报告期公司无收购及出售资产、吸收合并事项。

### (六) 报告期内公司重大关联交易事项

#### 1、购买商品、接受劳务的重大关联交易

关联方	关联交易内容	关联交易定价原则	关联交易价格	关联交易金额	占同类交易额的比重(%)	结算方式	市场价格	对公司利润的影响
上海自行车厂	采购货物	参照市场价，按双方协商确定的价格。		649	6.1	货币资金		无
上海永久自行车制造有限公司	采购货物	参照市场价，按双方协商确定的价格。		6,570	20	货币资金		无

### (七) 重大合同及其履行情况

#### 1、托管情况

本报告期公司无托管事项。

#### 2、承包情况

本报告期公司无承包事项。

#### 3、租赁情况

本报告期公司无租赁事项。

#### 4、担保情况

本报告期公司无担保事项。

#### 5、委托理财情况



本报告期公司无委托理财事项。

6、其他重大合同

本报告期公司无其他重大合同。

(八) 公司或持有 5%以上股东对公开披露承诺事项的履行情况

报告期内或持续到报告期内，公司或持股 5%以上股东没有承诺事项。

(九) 聘任、解聘会计师事务所情况

公司未改聘会计师事务所，公司原聘任上海立信长江会计师事务所有限公司为公司的境内审计机构，公司现聘任上海立信长江会计师事务所有限公司为公司的境内审计机构。

公司原聘任浩华国际会计师事务所为公司的境外审计机构，公司现聘任浩华国际会计师事务所为公司的境外审计机构。

(十) 公司、董事会、董事受处罚及整改情况

报告期内公司、公司董事会及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。

(十一) 其它重大事项

报告期内公司无其他重大事项。

(十二) 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
四届十二次董事会（临时）决议	《上海证券报》C3 版 《香港商报》B3 板	2005-1-19	www.sse.com.cn
担保诉讼已获解决			
2004 年年度报告摘要	《上海证券报》C2、C3 版 《香港商报》B2、B5 板	2005-3-8	www.sse.com.cn
四届十三次董事会决议			
四届四次监事会决议			
提交撤销其他特别处理申请	《上海证券报》C23 版 《香港商报》A6 板	2005-3-18	www.sse.com.cn
2004 年年度报告补充说明			
撤销公司股票其他特别处理	《上海证券报》75 版 《香港商报》B7 板	2005-4-23	www.sse.com.cn
2005 年第一季度报告			
四届十四次董事会决议			
第十七次股东大会（2004 年年会）通知			
土地购置的进展情况	《上海证券报》C15 版 《香港商报》B2 板	2005-5-24	www.sse.com.cn
第十七次股东大会（2004 年年会）决议			
四届十五次董事会（临时）决议	《上海证券报》C6 版 《香港商报》A4 板	2005-6-7	www.sse.com.cn
四届十六次董事会（临时）决议	《上海证券报》C2 版 《香港商报》A11 板	2005-6-23	www.sse.com.cn

## 七、财务会计报告(未经审计)

### (一)、审计报告

#### 审计报告

### (二) 财务报表

#### 资产负债表

2005 年 6 月 30 日

编制单位:

单位:元 币种:人民币

项目	附注		合并		母公司	
	合并	母公司	期末数	期初数	期末数	期初数
<b>流动资产：</b>						
货币资金	6.1		77,314,742.64	159,336,409.49	6,607,377.28	68,310,360.56
短期投资	6.2		110,760.00	133,960.00		
应收票据	6.3		11,942,620.50	22,943,274.00	179,073.50	
应收股利						
应收利息						
应收账款	6.6	7.1	90,398,503.36	91,132,468.09	28,564,096.24	30,585,573.71
其他应收款	6.7	7.2	36,923,298.49	8,004,444.45	40,893,243.33	4,302,857.05
预付账款	6.8		53,592,195.03	47,856,630.91	11,142,684.46	7,791,007.72
应收补贴款	6.9		3,964,171.99	1,817,454.50		
存货	6.10		134,054,435.42	127,917,002.19	21,207,558.43	19,700,504.03
待摊费用	6.11		177,852.65	55,297.00		
一年内到期的长期债权投资						
其他流动资产						
流动资产合计			408,478,580.08	459,196,940.63	108,594,033.24	130,690,303.07
<b>长期投资：</b>						
长期股权投资	6.14	7.3	35,410,367.30	42,230,363.74	227,029,021.43	226,684,307.80
长期债权投资						
长期投资合计			35,410,367.30	42,230,363.74	227,029,021.43	226,684,307.80
其中：合并价差			15,616,652.30	16,686,183.98		
其中：股权投资差额			15,616,652.30	16,686,183.98		
<b>固定资产：</b>						
固定资产原价	6.15		200,630,999.09	202,343,252.63	56,295,717.04	59,278,520.63
减：累计折旧	6.15		91,904,161.22	89,597,522.74	37,169,112.68	38,358,150.70
固定资产净值			108,726,837.87	112,745,729.89	19,126,604.36	20,920,369.93
减：固定资产减值准备	6.15		19,708,116.51	19,708,116.51	13,150,360.83	13,150,360.83
固定资产净额			89,018,721.36	93,037,613.38	5,976,243.53	7,770,009.10
工程物资						
在建工程	6.16		104,068,029.75	86,360,637.75	101,860,721.24	84,151,599.94
固定资产清理	6.18		1,071,707.33		1,061,707.33	
固定资产合计			194,158,458.44	179,398,251.13	108,898,672.10	91,921,609.04
<b>无形资产及其他资产：</b>						
无形资产	6.19		18,633,915.40	18,880,151.32	3,899,719.36	3,950,462.68
长期待摊费用	6.20		7,000,000.00	8,000,000.00	7,000,000.00	8,000,000.00
其他长期资产						
无形资产及其他资产合计			25,633,915.40	26,880,151.32	10,899,719.36	11,950,462.68
<b>递延税项：</b>						
递延税款借项						
资产总计			663,786,549.99	707,705,706.82	455,421,446.13	461,246,682.59
<b>流动负债：</b>						
短期借款	6.23		163,753,203.00	177,352,528.00	52,000,000.00	32,000,000.00
应付票据	6.24		750,000.00			26,682,196.84
应付账款	6.25		120,668,038.99	144,614,261.72	49,347,506.94	65,571,541.71
预收账款	6.26		22,276,196.29	31,744,041.28	7,586,879.35	3,863,693.91
应付工资	6.27		6,650,490.94	7,588,880.12		
应付福利费	6.28		3,276,152.30	2,998,425.99		
应付股利	6.29		87,402.00	87,402.00	87,402.00	87,402.00
应交税金	6.30		18,900,919.89	24,690,267.55	17,590,800.37	21,969,253.32
其他应付款	6.31		2,698,311.61	2,744,005.32	2,608,893.87	2,613,186.86
其他应付款	6.32		41,006,171.19	47,293,215.73	39,762,074.86	40,713,288.58
预提费用	6.33		1,081,059.79	5,475,869.45	999,679.86	4,939,150.00
预计负债						

一年内到期的长期负债	6.35		800,000.00	800,000.00	800,000.00	800,000.00
其他流动负债						
流动负债合计			381,143,541.02	445,388,897.16	170,783,237.25	199,239,713.22
<b>长期负债：</b>						
长期借款						
应付债券						
长期应付款						
专项应付款						
其他长期负债						
长期负债合计						
<b>递延税项：</b>						
递延税款贷项						
负债合计			381,143,541.02	445,388,897.16	170,783,237.25	199,239,713.22
少数股东权益			29,135,435.32	29,638,165.19		
<b>所有者权益（或股东权益）：</b>						
实收资本（或股本）	6.44		265,659,430.00	265,659,430.00	265,659,430.00	265,659,430.00
减：已归还投资						
实收资本（或股本）净额			265,659,430.00	265,659,430.00	265,659,430.00	265,659,430.00
资本公积	6.45		30,152,700.00	30,152,700.00	30,152,700.00	30,152,700.00
盈余公积	6.46		10,473,798.62	10,473,798.62	495,896.02	495,896.02
其中：法定公益金			4,267,773.13	4,267,773.13	495,896.02	495,896.02
未分配利润	6.47		-13,158,699.77	-33,354,006.71	-11,669,817.14	-34,301,056.65
拟分配现金股利						
外币报表折算差额						
减：未确认投资损失			40,529,288.95	40,253,277.44		
所有者权益（或股东权益）合计			253,507,573.65	232,678,644.47	284,638,208.88	262,006,969.37
负债和所有者权益（或股东权益）总计			663,681,321.22	707,705,706.82	455,421,446.13	461,246,682.59

公司法定代表人：顾觉新 主管会计工作负责人：孙云芳 会计机构负责人：霍恩宇

**利润及利润分配表**  
2005 年

编制单位:

单位:元 币种:人民币

项目	附注		合并		母公司	
	合并	母公司	本期数	上期数	本期数	上期数
一、主营业务收入	6.50	7.4	508,695,924.28	448,645,318.66	125,748,217.11	90,172,927.23
减:主营业务成本	6.50	7.4	429,101,357.65	374,946,982.85	93,188,310.55	65,515,594.60
主营业务税金及附加	6.51		288,086.47	427,337.44		
二、主营业务利润(亏损以“-”号填列)			79,306,480.16	73,270,998.37	32,559,906.56	24,657,332.63
加:其他业务利润(亏损以“-”号填列)	6.52		2,424,301.68	466,534.82	16,897,444.43	13,188,175.94
减:营业费用			29,481,890.12	25,324,811.71	5,846,082.25	1,717,099.18
管理费用			29,558,312.65	29,131,311.38	20,159,626.11	15,006,234.02
财务费用	6.53		4,477,996.31	3,935,093.84	1,151,360.55	629,093.85
三、营业利润(亏损以“-”号填列)			18,212,582.76	15,346,316.26	22,300,282.08	20,493,081.52
加:投资收益(损失以“-”号填列)	6.54	7.5	812,032.33	5,280,995.66	344,713.63	-941,055.36
补贴收入	6.55		654,502.00	705,317.61		
营业外收入	6.56		40,870.00	70,055.00	6,243.80	60,030.00
减:营业外支出	6.57		247,104.00	238,266.41	20,000.00	
四、利润总额(亏损总额以“-”号填列)			19,472,883.09	21,164,418.12	22,631,239.51	19,612,056.16
减:所得税	6.58		56,317.53	490,231.05		
减:少数股东损益			-502,729.87	-337,245.57		
加:未确认投资损失(合并报表填列)			276,011.51	1,418,936.81		
五、净利润(亏损以“-”号填列)			20,195,306.94	22,430,369.45	22,631,239.51	19,612,056.16
加:年初未分配利润			-33,354,006.71	-591,994,920.72	-34,301,056.65	-589,133,110.56
其他转入				508,932,746.64		508,932,746.64
六、可供分配的利润			-13,158,699.77	-60,631,804.63	-11,669,817.14	-60,588,307.76
减:提取法定盈余公积						
提取法定公益金						
提取职工奖励及福利基金(合并报表填列)						
提取储备基金						
提取企业发展基金						
利润归还投资						
七、可供股东分配的利润			-13,158,699.77	-60,631,804.63	-11,669,817.14	-60,588,307.76
减:应付优先股股利						
提取任意盈余公积						
应付普通股股利						
转作股本的普通股股利						
八、未分配利润(未弥补亏损以“-”号填列)			-13,158,699.77	-60,631,804.63	-11,669,817.14	-60,588,307.76
<b>补充资料:</b>						
1.出售、处置部门或被投资单位所得收益						
2.自然灾害发生的损失						
3.会计政策变更增加(或减少)利润总额						
4.会计估计变更增加(或减少)利润总额						
5.债务重组损失						
6.其他						

公司法定代表人: 顾觉新    主管会计工作负责人: 孙云芳    会计机构负责人: 霍恩宇

现金流量表  
2005 年

编制单位:

单位:元 币种:人民币

项目	附注		合并数	母公司数
	合并	母公司		
<b>一、经营活动产生的现金流量：</b>				
销售商品、提供劳务收到的现金			631,079,395.28	166,755,891.88
收到的税费返还			4,940,682.38	
收到的其他与经营活动有关的现金			62,414,896.03	64,698,664.39
现金流入小计			698,434,973.69	231,454,556.27
购买商品、接受劳务支付的现金			587,006,567.34	160,300,554.23
支付给职工以及为职工支付的现金			27,087,063.07	12,334,448.84
支付的各项税费			13,217,207.80	8,473,751.03
支付的其他与经营活动有关的现金			123,940,987.90	113,007,456.41
现金流出小计			751,251,826.11	294,116,210.51
经营活动产生的现金流量净额			-52,816,852.42	-62,661,654.24
<b>二、投资活动产生的现金流量：</b>				
收回投资所收到的现金			7,450,000.00	
其中：出售子公司收到的现金				
取得投资收益所收到的现金			100,000.00	
处置固定资产、无形资产和其他长期资产而收回的现金			361,176.25	361,176.25
收到的其他与投资活动有关的现金				
现金流入小计			7,911,176.25	361,176.25
购建固定资产、无形资产和其他长期资产所支付的现金			18,989,210.12	18,145,879.79
投资所支付的现金				
支付的其他与投资活动有关的现金				
现金流出小计			18,989,210.12	18,145,879.79
投资活动产生的现金流量净额			-11,078,033.87	-17,784,703.54
<b>三、筹资活动产生的现金流量：</b>				
吸收投资所收到的现金				
其中：子公司吸收少数股东权益性投资收到的现金				
借款所收到的现金			151,753,203.00	40,000,000.00
收到的其他与筹资活动有关的现金				
现金流入小计			151,753,203.00	40,000,000.00
偿还债务所支付的现金			165,352,528.00	20,000,000.00
分配股利、利润或偿付利息所支付的现金			4,418,662.75	1,256,625.50
其中：支付少数股东的股利				
支付的其他与筹资活动有关的现金				
其中：子公司依法减资支付给少数股东的现金				
现金流出小计			169,771,190.75	21,256,625.50
筹资活动产生的现金流量净额			-18,017,987.75	18,743,374.50
<b>四、汇率变动对现金的影响</b>			-108,792.81	
<b>五、现金及现金等价物净增加额</b>			-82,021,666.85	-61,702,983.28
<b>补充材料</b>				
<b>1、将净利润调节为经营活动现金流量：</b>				
净利润			20,195,306.94	22,631,239.51
加：少数股东损益(亏损以“-”号填列)			-502,729.87	
减：未确认的投资损失			276,011.51	
加：计提的资产减值准备			932,833.75	347,027.84
固定资产折旧			4,219,588.49	700,911.99
无形资产摊销			249,835.92	50,743.32
长期待摊费用摊销			1,000,000.00	1,000,000.00
待摊费用减少(减：增加)			-122,555.65	
预提费用增加(减：减少)			-1,932,528.41	-326,811.35
处理固定资产、无形资产和其他长期资产的损失(减：收益)				
固定资产报废损失				
财务费用			4,527,455.56	1,256,625.50
投资损失(减：收益)			-835,232.33	-344,713.63
递延税款贷项(减：借项)				
存货的减少(减：增加)			-6,137,433.23	-1,507,054.40
经营性应收项目的减少(减：增加)			-66,247,883.48	-36,576,962.53
经营性应付项目的增加(减：减少)			-7,887,498.60	-49,892,660.49

其他				
经营活动产生的现金流量净额			-52,816,852.42	-62,661,654.24
<b>2. 不涉及现金收支的投资和筹资活动：</b>				
债务转为资本				
一年内到期的可转换公司债券				
融资租入固定资产				
<b>3、现金及现金等价物净增加情况：</b>				
现金的期末余额			77,314,742.64	6,607,377.28
减：现金的期初余额			159,336,409.49	68,310,360.56
加：现金等价物的期末余额				
减：现金等价物的期初余额				
现金及现金等价物净增加额			-82,021,666.85	-61,702,983.28

公司法定代表人：顾觉新 主管会计工作负责人：孙云芳 会计机构负责人：霍恩宇

合并资产减值表  
2005 年

编制单位:

单位: 元 币种: 人民币

项目	期初余额	本期增加数	本期减少数		期末余额
			其他原因转出数	合计	
坏账准备合计	92,781,129.00	1,835,136.03	925,502.28	925,502.28	93,690,762.75
其中: 应收账款	43,351,438.86		925,502.28	925,502.28	42,425,936.58
其他应收款	49,429,690.14	1,835,136.03			51,264,826.17
短期投资跌价准备合计	285,679.26	23,200.00			308,879.26
其中: 股票投资	285,679.26	23,200.00			308,879.26
债券投资					
存货跌价准备合计	5,252,752.90				5,252,752.90
其中: 库存商品	2,657,109.21				2,657,109.21
原材料	2,595,643.69				2,595,643.69
长期投资减值准备合计	11,950,893.53				11,950,893.53
其中: 长期股权投资	11,950,893.53				11,950,893.53
长期债权投资					
固定资产减值准备合计	19,708,116.51				19,708,116.51
其中: 房屋、建筑物	497,753.37				497,753.37
机器设备	19,210,363.14				19,210,363.14
无形资产减值准备					
其中: 专利权					
商标权					
在建工程减值准备					
委托贷款减值准备					
资产减值合计					

公司法定代表人: 顾觉新 主管会计工作负责人: 孙云芳 会计机构负责人: 霍恩宇

母公司资产减值表  
2005 年

编制单位:

单位: 元 币种: 人民币

项目	期初余额	本期增加数	本期减少数		期末余额
			其他原因转出数	合计	
坏账准备合计	71,399,691.36	2,193,552.20	1,846,524.36	1,846,524.36	71,746,719.20
其中: 应收账款	26,967,616.21		1,846,524.36	1,846,524.36	25,121,091.85
其他应收款	44,432,075.15	2,193,552.20			46,625,627.35
短期投资跌价准备合计					
其中: 股票投资					
债券投资					
存货跌价准备合计					
其中: 库存商品					
原材料					
长期投资减值准备合计	11,346,221.91				11,346,221.91
其中: 长期股权投资	11,346,221.91				11,346,221.91
长期债权投资					
固定资产减值准备合计	13,150,360.83				13,150,360.83
其中: 房屋、建筑物					
机器设备	13,150,360.83				13,150,360.83
无形资产减值准备					
其中: 专利权					
商标权					
在建工程减值准备					
委托贷款减值准备					
资产减值合计					

公司法定代表人: 顾觉新 主管会计工作负责人: 孙云芳 会计机构负责人: 霍恩宇

股东权益增减变动表  
2005 年

编制单位:

单位:元 币种:人民币

项目	本期数	上期数
<b>一、实收资本(或股本)</b>		
期初余额	265,659,430.00	265,659,430.00
本期增加数		
其中:资本公积转入		
盈余公积转入		
利润分配转入		
新增资本(股本)		
本期减少数		
期末余额	265,659,430.00	265,659,430.00
<b>二、资本公积</b>		
期初余额	30,152,700.00	460,501,360.33
本期增加数		30,000,000.00
其中:资本(或股本)溢价		
接受捐赠非现金资产准备		
接受现金捐赠		
股权投资准备		
关联交易差价		30,000,000.00
拨款转入		
外币资本折算差额		
其他资本公积		
本期减少数		460,348,660.33
其中:转增资本(或股本)		
弥补亏损		460,348,660.33
期末余额	30,152,700.00	30,152,700.00
<b>三、法定和任意盈余公积</b>		
期初余额	6,206,025.49	54,155,247.51
本期增加数		634,864.29
其中:从净利润中提取数		
法定盈余公积		634,864.29
任意盈余公积		
储备基金		
企业发展基金		
法定公益金转入数		
本期减少数		48,584,086.31
其中:弥补亏损		48,584,086.31
转增资本(或股本)		
分派现金股利或利润		
分派股票股利		
期末余额	6,206,025.49	6,206,025.49
其中:法定盈余公积	6,206,025.49	6,206,025.49
储备基金		
企业发展基金		
<b>四、法定公益金</b>		
期初余额	4,267,773.13	3,899,977.09
本期增加数		367,796.04
其中:从净利润中提取数		367,796.04
本期减少数		
其中:其他集体福利支出		
期末余额	4,267,773.13	4,267,773.13
<b>五、未分配利润</b>		
期初未分配利润	-33,354,006.71	-591,994,920.72
本期净利润(净亏损以“-”号填列)	20,195,306.94	49,708,167.37
其他转入		508,932,746.64
本期利润分配		
期末未分配利润(未弥补亏损以“-”号填列)	-13,158,699.77	-33,354,006.71

公司法定代表人: 顾觉新 主管会计工作负责人: 孙云芳 会计机构负责人: 霍恩宇



应交增值税明细表  
2005 年

编制单位:

单位: 元 币种: 人民币

项目	金额
<b>一、应交增值税</b>	
1. 年初未抵扣数 (以“-”号填列)	-277,221.97
2. 销项税额	75,269,404.97
出口退税	5,211,975.17
进项税额转出	4,755,979.24
转出多交增值税	
3. 进项税额	79,770,891.15
已交税金	
减免税款	
出口抵减内销产品应纳税额	
转出未交增值税	6,148,583.12
4. 期末未抵扣数 (以“-”号填列)	-959,336.86
<b>二、未交增值税</b>	
1. 年初未交数 (多交数以“-”号填列)	22,595,954.86
2. 本期转入数 (多交数以“-”号填列)	6,148,583.12
3. 本期已交数	10,856,098.56
4. 期末未交数 (多交数以“-”号填列)	17,888,439.42

公司法定代表人: 顾觉新 主管会计工作负责人: 孙云芳 会计机构负责人: 霍恩宇

公司概况

上海永久股份有限公司前身系上海自行车厂。一九九三年十月经批准改制为股份有限公司(中外合资股份有限公司)。同年十一月十五日境内上市外资股(B股)在上海证券交易所挂牌交易,一九九四年一月二十八日人民币普通股(A股)在上海证券交易所挂牌交易。所属行业为工业企业。本公司经营范围为生产销售自行车及零部件、助力车(含燃气助力车)、特种车辆和与自行车相关的配套产品、保龄设备、棋牌设备、聚氨酯材料、手动轮椅车、电动轮椅车产品;技术咨询、投资兴办企业,销售自产产品(涉及许可经营的凭许可证经营)。

(三) 公司主要会计政策、会计估计和会计报表的编制方法

1、会计准则和会计制度

执行企业会计准则、《企业会计制度》及其有关的补充规定

2、会计年度

本公司会计年度自公历 1 月 1 日起至 12 月 31 日止。

3、记账本位币

本公司的记账本位币为人民币。

4、编制基础记账基础和计价原则

以权责发生制为记帐基础,以历史成本为计价原则。

5、外币业务核算方法

外币业务按业务发生当期期初的中国人民银行公布的人民币市场汇价(中间价)作为折算汇率,折合成人民币记帐,年末外币帐户余额按年末市场汇价(中间价)折合成人民币金额进行调整。外币专门借款帐户年末折算差额,在所购建固定资产达到预定可使用状态前的特定时间段内,按规定予以资本化,计入在建工程成本,其余的外币帐户折算差额均计入财务费用。不同货币兑换形成的折算差额,均计入财务费用。

6、外币会计报表的折算方法

按照财政部财会字(1995)11号《关于印发通知》，除所有者权益类项目(不含未分配利润项目)以发生时的市场汇价(中间价)折算为人民币外，资产、负债、损益类项目均以合并会计报表决算日的市场汇价(中间价)折算为人民币。外币报表折算差额在合并资产负债表中单独列示。

7、现金及现金等价物的确定标准

在编制现金流量表时，将同时具备期限短(从购买日起，三个月到期)、流动性强、易于转换为已知现金、价值变动风险很小四个条件的投资，确定为现金等价物。

8、短期投资核算方法

(1)、取得的计价方法：

取得投资时按实际支付的价款(扣除已宣告未领取的现金股利或已到期未领取的债券利息)、相关税费计价。债务重组取得债务人用以抵债的短期投资，以应收债权的帐面价值为基础确定其入帐价值；非货币性交易换入的短期投资，以换出资产的帐面价值为基础确定其入帐价值。

(2)、短期投资跌价准备的计提：

中期末及年末，按成本与收盘价孰低提取或调整短期投资跌价准备。

按单项投资计算并确定计提的跌价损失准备。

(3)、短期投资收益的确认：

短期投资待处置时确认投资收益。在持有期间分得的现金股利和利息，冲减投资成本或相关应收项目。

9、应收款项坏账损失核算方法

坏账的确认标准为：对因债务人撤销、破产，依照法律清偿程序后确实无法收回的应收款项；因债务人死亡，既无遗产可清偿，又无义务承担人，确实无法收回的应收款项；因债务人逾期未履行偿债义务并有确凿证据表明，确实无法收回的应收款项，按照公司管理权限批准核销。

坏账的核算方法：公司的坏账核算采用备抵法，期末公司对应收款项(包括应收账款和其他应收款)按账龄分析法和账龄分析法计提坏账准备，本公司根据以往经验、债务单位的实际财务状况及其他相关信息评估其余额的可收回性，对无法收回的其他应收款按100%计提坏帐准备。其后，扣除单项计提后的其他应收款余额再按帐龄分析法计提坏帐准备。对应收款项中的纳入合并报表范围的单位统一按5%计提坏帐准备。

帐龄	应收帐款计提比例(%)	其他应收款计提比例(%)
1年以内(含1年)	5.00	5.00
1-2年	10.00	10.00
2-3年	30.00	30.00
3年以上	100.00	100.00

采用备抵法核算，按帐龄分析法并结合个别认定法估算坏帐损失。

10、存货核算方法

(1)、存货分类为：

存货分类为：在途物资、原材料、包装物、低值易耗品、库存商品、产成品、委托加工物资、开发产品、在产品、工程施工等。

(2)、取得和发出的计价方法：

生产企业日常核算取得时按实际成本计价；发出时按计划成本法计价；月份终了，按发出各种存货的计划成本、发出库存商品的定额成本计算应摊销的成本差异。

商业企业日常核算取得时按实际成本计价；发出时按加权平均法计价；

债务重组取得债务人用以抵债的存货，以应收债权的帐面价值为基础确定其入帐价值；非货币性交易换入的存货以换出资产的帐面价值为基础确定其入帐价值。

(3)、低值易耗品和包装物的摊销方法：

低值易耗品采用一次摊销法；

包装物采用一次摊销法。

(4)、存货的盘存制度：

采用永续盘存制。

(5)、存货跌价准备的计提方法：

中期末及年末，对存货进行全面清查后，按存货的成本与可变现净值孰低提取或调整存货跌价准备。

存货跌价准备按单个存货项目计提。

11、长期投资核算方法

(1)、取得的计价方法：

长期投资取得时以初始投资成本计价，包括相关的税金、手续费等。债务重组取得债务人用以抵债的股权投资，以应收债权的帐面价值为基础确定其入帐价值；非货币性交易换入的股权投资，以换出资产的帐面价值为基础确定其入帐价值。

(2)、长期股权投资的核算方法：

对被投资单位无控制、无共同控制且无重大影响的，采用成本法核算；对被投资单位能实施控制、共同控制或重大影响的，采用权益法核算。

按权益法核算长期股权投资时，初始投资成本高于应享有被投资单位净资产份额所确认的股权投资差额，若合同规定投资期限的按投资期限平均摊销；若合同未规定投资期限的按 10 年平均摊销。初始投资成本低于应享有被投资单位净资产份额的差额，计入资本公积（股权投资准备）。2003 年以前发生的股权投资差额贷差仍按原规定摊销。再次投资发生的股权投资差额按财会[2004]3 号文处理。

(3)、长期债权投资的核算方法：

中期末及年末，按合同规定利率或债券票面利率计提利息，并同时按直线法摊销债券投资溢价或折价。

如果计提的利息到期不能收回，停止计息并冲回原已计提的利息。

(4)、长期投资减值准备的计提：

中期末及年末，按预计可收回金额低于长期投资帐面价值的差额，计提长期投资减值准备。自 2004 年起计提长期投资减值准备时对以前年度已发生的股权投资差额按财会（2004）3 号文处理。

长期投资减值准备按个别投资项目计算确定。

12、固定资产计价和折旧方法及减值准备的计提方法

(1)、固定资产标准：

指为生产商品、提供劳务、出租或经营管理而持有的并且使用期限超过一年、单位价值较高的有形资产。

(2)、固定资产的分类：

房屋及建筑物、机器设备、运输设备、办公及其他设备等。

(3)、固定资产的取得计价：

一般遵循实际成本计价原则计价。

债务重组取得债务人用以抵债的固定资产，以应收债权的帐面价值为基础确定其入帐价值；非货币性交易换入的固定资产，以换出资产的帐面价值为基础确定其入帐价值。

融资租入的固定资产，按租赁开始日租赁资产的原帐面价值与最低租赁付款额的现值两者中较低者作为入帐价值，如果融资租赁资产占企业资产总额等于或小于 30% 的，则按最低租赁付款额作为入帐价值。

(4)、固定资产折旧采用年限平均法分类计提。根据固定资产类别、预计使用年限和预计净残值率确定折旧率。

符合资本化条件的固定资产装修费用，在两次装修期间与固定资产尚可使用年限两者中较短的期间内，采用年限平均法单独计提折旧；经营租赁方式租入的固定资产改良支出，在剩余租赁期与租赁资产尚可使用年限两者中较短的期间内，采用年限平均法单独计提折旧。

融资租赁方式租入的固定资产，能合理确定租赁期届满时将会取得租赁资产所有权的，应当在租赁资产尚可使用年限内计提折旧；无法合理确定租赁期届满时能够取得租赁资产所有权的，应当在租赁期与租赁资产尚可使用年限两者中较短的期间内计提折旧。融资租赁方式租入的固定资产发生的符合资本化条件的装修费用，在两次装修期间、剩尚租赁期与固定资产尚可使用年限三者中较短的期间内，采用年限平均法单独计提折旧。

类 别	预计使用年限	净残值率	年折旧率
房屋及建筑物	8-45 年	4%	12%-2.13%
机器设备	3-20 年	4%	32%-4.80%
运输设备	5-12 年	4%	19.2%-8%
办公及其他设备	5-18 年	4%	19.2%-5.33%

(5)、固定资产减值准备的计提：

中期末及年末，对由于市价持续下跌、技术陈旧、实体损坏、长期闲置等原因导致其可收回金额低于帐面价值的，按预计可收回金额低于其帐面价值的差额，计提固定资产减值准备。

固定资产减值准备按单项资产计提。

13、在建工程核算方法

(1)、取得的计价方法：

以立项项目分类核算工程发生的实际成本，当所建工程项目达到预定可使用状态时，转入固定资产核算，尚未办理竣工决算的，按估计价值转帐，待办理竣工决算手续后再作调整。

(2)、在建工程减值准备的计提：

中期末及年末，对于长期停建并预计在未来三年内不会重新开工的在建工程，或在性能、技术上已落后且给企业带来经济利益具有很大不确定性的在建工程，计提在建工程减值准备。

在建工程减值准备按单项工程计提。

14、无形资产计价及摊销方法

(1)、取得的计价方法：

按取得时的实际成本入帐。

债务重组取得债务人用以抵债的无形资产，按应收债权的帐面价值为基础确定其入帐价值；非货币性交易换入的无形资产，按换出资产的帐面价值为基础确定其入帐价值。

(2)、摊销方法：

采用直线法。相关合同与法律两者中只有一方规定受益年限或有效年限的，按不超过规定年数的期限平均摊销；两者均规定年限的按孰低者平均摊销；两者均未规定年限的按不超过十年的期限平均摊销。

(3)、无形资产减值准备的计提：

中期末及年末，对于因被其他新技术替代、市价大幅下跌而导致创利能力受到重大不利影响或下跌价值预期不会恢复的无形资产，按预计可收回金额低于其帐面价值的差额，计提无形资产减值准备。

无形资产减值准备按单项资产计提。

15、开办费长期待摊费用摊销方法

(1)、开办费转销方法：

在开始生产经营的当月一次计入损益。

(2)、其他长期待摊费用摊销方法：

在受益期内平均摊销，其中：

预付经营租入固定资产的租金，按租赁合同规定的期限平均摊销。

预付给社会保障局协议保留劳动关系的公司职工至退休日的社会保险费按十年平均摊销。

16、借款费用的会计处理方法

(1)、借款费用资本化的确认原则：

专门借款的辅助费用在所购建资产达到预定可使用状态前，予以资本化，若金额较小则直接计入当期损益。

专门借款的利息、溢折价摊销、汇兑差额开始资本化应同时满足以下三个条件：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。

当购建资产项目发生非正常中断且连续三个月或以上时，借款费用暂停资本化。当购建资产项目达到预定可使用状态后，借款费用停止资本化。

当购建资产中部分项目分别完工且可单独使用时，该部分资产借款费用停止资本化。

普通借款的借款费用和不符合资本化规定的专门借款的借款费用，均计入发生当期损益。

(2)、借款费用资本化期间：

按年度计算借款费用资本化金额。

(3)、专门借款的借款费用资本化金额的确定方法：

每一会计期间利息资本化的金额 = 至当年末止购建固定资产累计支出加权平均数 × 借款加权平均利率。

允许资本化的辅助费用、汇兑差额按实际发生额直接资本化。

#### 17、预计负债的确认原则

与或有事项相关的义务同时符合以下条件时，公司将其列为预计负债：

- (1)、该义务是企业承担的现时义务；
- (2)、该义务履行很可能导致经济利益流出企业；
- (3)、该义务金额可以可靠地计量。

#### 18、收入确认原则

(1)、销售商品：

公司已将商品所有权上的重要风险和报酬转移给买方；公司不再对该商品实施继续管理权和实际控制权；与交易相关的经济利益能够流入企业；相关的收入和成本能可靠地计量时，确认营业收入实现。

(2)、提供劳务：

在同一年度内开始并完成，在劳务已经提供，收到价款或取得收取价款的依据时，确认劳务收入的实现；如劳务的开始和完成分属不同的会计年度，在提供劳务交易的结果能够可靠估计的情况下，在资产负债表日按完工百分比法确认相关的劳务收入。

(3)、让渡资产使用权：

与交易相关的经济利益能够流入企业，收入的金额能可靠地计量时，按合同或协议规定确认为收入。

#### 19、所得税的会计处理方法

采用应付税款法。

#### 20、合并会计报表合并范围的确定原则及合并会计报表的编制方法：

(1)、合并会计报表按照《合并会计报表暂行规定》及有关文件，以母公司和纳入合并范围的子公司的个别会计报表以及其他资料为依据进行编制。但对行业特殊及子公司规模较小，符合财政部财会二字（1996）2号《关于合并会计报表合并范围请示的复函》文件的规定，则不予合并。合并时对内部权益性投资与子公司所有者权益、内部投资收益与子公司利润分配、内部交易事项、内部债权债务进行抵销，对合并盈余公积进行调整。对纳入合并范围的合营企业，采用比例合并法编制合并会计报表。

(2)、母公司与子公司采用的会计政策和会计处理方法无重大差异。

#### 21、主要会计政策、会计估计变更及重大会计差错更正

(1) 会计政策变更

无

(2) 会计估计变更

无

(3) 会计差错更正

无

(四) 税项

三、税项：

公司主要税种和税率为：

- (一) 增值税税率：17%
- (二) 营业税税率：5%
- (三) 城建税税率：应纳增值税及营业税税额的 1% 及 7%
- (四) 所得税：

单位名称	税率
上海永久股份有限公司(母公司)	27%
上海永久房地产开发经营有限公司	33%
上海永久股份有限公司苏州公司	33%
上海永久进出口有限公司	33%
上海永久自行车经销有限公司	33%
上海申丽永久自行车有限公司	33%
上海中路永久技术服务有限公司	33%
上海中路实业有限公司	注 1
上海中路永久自行车经销有限公司	注 2
上海永久自动棋牌桌销售有限公司	注 2
上海中路保龄设备安装有限公司	注 3
上海中路永久塑胶工程有限公司	注 3
上海永久电动车经销有限公司	33%

注 1：上海中路实业有限公司，所得税率继续按 15% 计征正在申请中。

注 2：注册在浦东新区的有限公司，按 15% 的所得税税率征收。

注 3：按应计提增值税及营业税收入的 1% 带征。

(五) 控股子公司及合营企业

单位: 万元 币种: 人民币

单位名称	注册地	法定代表人	注册资本	经营范围	投资额	权益比例(%)		是否合并
						直接	间接	
上海永久房地产开发经营有限公司	崇明工业园区秀山路 8 号 131 室	严爱民	800.00	房地产开发经营、物业管理	800.00	46.25	53.75	是
上海永久股份公司苏州公司	苏州市郊上方山环山路 25 号	顾觉新	2,300.00	生产、销售自行车	1,173.00	51.00		是
上海永久进出口有限公司	溧阳路 125 号 110 室	顾觉新	509.00	出口各类自行车、摩托车、健身器材	450.00	88.40		是
上海永久自行车经销有限公司	上海市南汇区康桥镇康士路 17 号 274 室	颜奕鸣	370.00	自行车、助动车、摩托车和零配件销售	330.00	89.20		是
上海申丽永久自行车有限公司	青浦区金泽镇	蔡逸伟	250	自行车、助动车制造加工、办公用品、针棉制品、健身器材、五金交电、百货粮油	225.00	90.00		是
上海中路实业有限公司	沪南路 2502 号 409 室	李杏明	12,580.00	保龄球设备、球道、保龄球、保龄瓶、木地板、皮鞋、服装制造加工等	19,529.60	90.00		是
上海中路保龄设备安装有限公司	南汇三灶镇北首	沈建国	500.00	保龄设备安装维修	450.00		90.00	是
上海中路永久自行车经销有限公司	浦东新区沪南公路 1568 号 1 号楼	王启龙	100.00	自行车、童车、助动车、摩托车及零配件、五金交电等	90.00		90.00	是
上海永久自动棋牌桌销售有限公司	浦东芳华路 188 弄 8 号	范伟	50.00	自动棋牌桌及配件的销售	45.00		90.00	是

上海中路永久塑胶工程有限公司	普陀区真北路 3370 号 5 楼 132 座	严爱民	300.00	塑胶田径运动场、篮球场、网球场及各类工厂塑胶地面材料的铺设等	270.00		90.00	是
上海中路永久技术服务有限公司	天目中路 380 号 8F	卢柏民	50.00	自行车、电动车及特种自行车及零部件和相关配套产品零售和批发、维修服务	50.00		100.00	是
上海永久电动车经销有限公司	浦东新区赵高路 1578 号	蔡逸伟	200.00	自行车、电动车、童车及零配件、五金交电、百货的销售	200.00		100.00	是
上海永久贸易有限公司	外高桥保税区 F 区 2 号综合楼 4200 室	叶顺强	170.00	国际贸易、保税区内贸易	170.00	100.00		否
上海永久助力车九江有限公司	江西九江		100.00	生产销售定牌助力车	51.00	51.00		否

1、未合并的子公司及其原因：

(1) 上海永久助力车九江有限公司本年度仍基本处于停业状态，且对其已无实质性控制，故仍然未予合并报表，且对其预计贬值部分计提长期投资减值准备。

(2) 上海永久贸易有限公司已于 1998 年歇业清算，公司注销工作尚在进行中，故本年度仍未予合并报表。

1)、合并报表范围发生变更的内容和原因

无

2)、对持股比例达到 50%以上的子公司，未纳入合并范围的原因说明：

上海永久贸易有限公司，清算中。

上海永久助力车九江有限公司，停业。

(六) 合并会计报表附注：

1、货币资金：

(1) 货币资金分类

单位：元 币种：人民币

项目	期末数	期初数
现金	544,408.98	420,553.53
银行存款	76,708,987.23	158,854,284.39
其他货币资金	61,346.43	61,571.57
合计	77,314,742.64	159,336,409.49

(2) 货币资金—外币：

单位：元

外币币种	期末数			期初数		
	外币金额	汇率	人民币金额	外币金额	汇率	人民币金额
美元	528,610.29	8.2765	4,375,043.07	614,848.34	8.2765	5,088,792.28
日元	49,295	0.0749	3,692.22			
合计	/	/	4,378,735.29	/	/	5,088,792.28

2、短期投资：

(1) 短期投资分类

单位：元 币种：人民币

项目	期初数			期末数			期末市价总额
	帐面余额	跌价准备	帐面净额	帐面余额	跌价准备	帐面净额	
股权投资合计	419,639.26	285,679.26	133,960.00	419,639.26	308,879.26	110,760.00	
其中：股票投资	419,639.26	285,679.26	133,960.00	419,639.26	308,879.26	110,760.00	
其他股权投资							
债券投资合计							
其中：国债投资							
其他债券							
基金投资							

其他短期投资							
合计	419,639.26	285,679.26	133,960.00	419,639.26	308,879.26	110,760.00	

(2) 短期股票投资

单位: 元 币种: 人民币

股票名称	投资比例	股份性质	股票数量	投资金额	期末每股市价	期末市价总额	跌价准备	帐面净额	期末市价资料来源
天地源	<5%	已上市流通股	10,000	102,170.49	2.79	27,900.00	74,270.49	27,900.00	中信证券营业部提供
华意压缩	<5%	已上市流通股	10,000	111,104.89	2.28	22,800.00	88,304.89	22,800.00	中信证券营业部提供
ST鑫光	<5%	已上市流通股	14,000	143,989.89	2.86	40,040.00	103,949.89	40,040.00	中信证券营业部提供
鄂武商A	<5%	已上市流通股	7,000	62,373.99	2.86	20,020.00	42,353.99	20,020.00	中信证券营业部提供
合计	/	/	41,000	419,639.26	/	110,760.00	308,879.26	110,760.00	/

本年度公司按所投资股票的年末市价，重新估计了可能存在的短期投资损失，并增加计提了年末短期投资跌价准备。

3、应收票据：

单位: 元 币种: 人民币

种类	持票人	期末数	期初数	出票日	到期日
商业承兑汇票	上海杰事杰新材料股份有限公司		5,205,431.00	2004-09-07	2005-03-05
商业承兑汇票	上海杰事杰新材料股份有限公司		6,553,855.00	2004-11-17	2005-05-15
商业承兑汇票	上海杰事杰新材料股份有限公司		6,193,242.00	2004-12-10	2005-06-10
商业承兑汇票	上海杰事杰新材料股份有限公司		4,400,000.00	2004-07-16	2005-01-16
商业承兑汇票	上海杰事杰新材料股份有限公司	4,095,531.00		2005-01-31	2005-07-28
商业承兑汇票	上海杰事杰新材料股份有限公司	7,657,672.00		2005-03-01	2005-07-27
银行承兑汇票	安庆市飞腾贸易有限公司	10,344.00		2005-03-11	2005-09-11
商业承兑汇票	上海永久自行车制造有限公司	179,073.5		2005-05-26	2005-11-25
银行承兑汇票	宿州市淮海车业有限公司		81,320.00	2004-12-13	2005-06-13
银行承兑汇票	蒙城县百货公司家电自行车批发部		50,000.00	2004-12-10	2005-06-10
银行承兑汇票	南昌市先达车业车行		170,000.00	2004-12-22	2005-06-22
银行承兑汇票	杭州长河商品混凝土厂		100,000.00	2004-12-01	2005-06-01
银行承兑汇票	长沙市正源自行车经营部		189,426.00	2004-12-20	2005-06-20
合计	/	11,942,620.50	22,943,274.00	/	/

已贴现的商业承兑汇票金额为 11,753,203 元。明细为 4,095,531.00 元；7,657,672.00 元。

4、应收账款：

(1) 应收账款帐龄

单位: 元 币种: 人民币

账龄	期末数					期初数				
	账面余额		坏账准备		账面净额	账面余额		坏账准备		账面净额
	金额	比例	金额	计提比例		金额	比例	金额	计提比例	
一年以内	63313672.52	47.67	6470727.63	5.00	56842944.89	64973139.53	48.31	7396229.91	5.00	57576909.62
一至二年	28156944.54	21.20	2815694.45	10.00	25341250.09	28156944.54	20.94	2815694.45	10.00	25341250.09



二至三年	11734726.26	8.83	3520417.88	30.00	8214308.38	11734726.26	8.73	3520417.88	30.00	8214308.38
三年以上	29619096.62	22.30	29619096.62	100.00	0	29619096.62	22.02	29619096.62	100.00	0
合计	132824439.94	100.00	42425936.58		90398503.36	134483906.95	100.00	43351438.86		91132468.09

(2) 应收帐款坏帐准备变动情况

单位: 元 币种: 人民币

项目	期初余额	本期增加数	本期减少数			期末余额
			转回数	转出数	合计	
应收帐款坏帐准备	43,351,438.86		925,502.28		925,502.28	42,425,936.58

应收帐款期末余额比期初下降了, 相应坏帐准备金减少。

(3) 应收账款前五名欠款情况

单位: 元 币种: 人民币

	期末数		期初数	
	金额	比例	金额	比例
前五名欠款单位合计及比例	31,400,136.79	23.64	37,212,536.56	27.67

(4) 本报告期坏帐准备全额计提, 或计提比例超过 40%及以上的应收帐款情况

单位: 元 币种: 人民币

单位名称	与本公司关系	欠款金额	欠款时间	欠款原因	计提坏帐金额	计提坏帐比例(%)	计提坏帐原因
上海自行车厂南翔分厂	客户	4,858,868.14	三年以上	倒闭	4,858,868.14	100	时间较长, 预计可收回金额低于帐面价值
上海永久贸易有限公司	全资子公司	1,962,606.68	三年以上	清算中	1,962,606.68	100	时间较长, 预计可收回金额低于帐面价值
永久宾馆	客户	1,890,395.00	三年以上	倒闭	1,890,395.00	100	时间较长, 预计可收回金额低于帐面价值
山东东营叶斌	客户	622,289.33	三年以上	倒闭	622,289.33	100	时间较长, 预计可收回金额低于帐面价值
北京水泥厂	客户	589,941.35	三年以上	倒闭	589,941.35	100	时间较长, 预计可收回金额低于帐面价值
其他零星户	客户	20,419,331.49	三年以上	倒闭	20,419,331.49	100	时间较长, 预计可收回金额低于帐面价值
合计	/	30,343,431.99	/	/	30,343,431.99	/	/

(5) 本报告期应收帐款中无持有公司 5%(含 5%)以上表决权股份的股东单位的欠款

5、其他应收款：

(1) 其他应收款帐龄

单位: 元 币种: 人民币

账龄	期末数					期初数				
	账面余额		坏账准备		账面净额	账面余额		坏账准备		账面净额
	金额	比例(%)	金额	计提比例(%)		金额	比例(%)	金额	计提比例(%)	
一年以内	36,375,372.92	41.25	2,910,029.83	5.00	33,465,343.09	5,621,382.85	9.79	1,074,893.80	5.00	4,546,489.05
一至二年	3,611,076.58	4.10	361,107.66	10.00	3,249,968.92	3,611,076.58	6.29	361,107.66	10.00	3,249,968.92
二至三年	297,123.55	0.34	89,137.07	30.00	207,986.48	297,123.55	0.50	89,137.07	30.00	207,986.48
三年以上	47,904,551.61	54.31	47,904,551.61	100.00	0	47,904,551.61	83.42	47,904,551.61	100.00	0
合计	88,188,124.66	100.00	51,264,826.17		36,923,298.49	57,434,134.59	100.00	49,429,690.14		8,004,444.45

(2) 其他应收款坏帐准备变动情况

单位: 元 币种: 人民币

项目	期初余额	本期增加数	本期减少数			期末余额
			转回数	转出数	合计	
其他应收款坏帐准备	49,429,690.14	1,835,136.03				51,264,826.17

其他应收款期末余额比期初有所上升, 故补提坏帐准备金。

(3) 其他应收款前五名欠款情况

单位: 元 币种: 人民币

	期末数		期初数	
	金额	比例	金额	比例
前五名欠款单位合计及比例	55,673,791.68	63.13	44,233,215.89	77.02

(4) 其他应收款主要单位

单位: 元 币种: 人民币

单位名称	欠款金额	欠款时间	欠款原因	计提坏帐金额	计提坏帐比例	计提坏帐原因
亚洲 ABC 自行车厂	33,818,827.37	三年以上	倒闭	33,818,827.37	100.00	时间较长, 预计可收回金额低于帐面价值
上海豪兰企业管理咨询 公司	7,888,915.05	一年以内	暂借款	394,445.75	5.00	本期新增
上海沛勤贸易有限公司	5,776,665.00	一年以内	暂借款	288,833.75	5.00	本期新增
分厂其他应收款	4,716,840.87	三年以上	倒闭	4,716,840.87	100.00	时间较长, 预计可收回金额低于帐面价值
上海永胜自行车公司	3,472,543.39	三年以上	倒闭	3,472,543.39	100.00	时间较长, 预计可收回金额低于帐面价值
合计	55,673,791.68	/	/	42,691,491.13	/	/

(5) 本报告期坏帐准备全额计提, 或计提比例超过 40% 及以上的其他应收款情况

单位: 元 币种: 人民币

单位名称	与本公司 关系	欠款金额	欠款时 间	欠款原 因	计提坏帐金额	计提坏帐比例 (%)	计提坏帐原因
亚洲 ABC 自行 车厂		33,818,827.37	三年以 上	倒闭	33,818,827.37	100.00	时间较长, 预计可收回金额低 于帐面价值
分厂其他应收 款		4,716,840.87	三年以 上	倒闭	4,716,840.87	100.00	时间较长, 预计可收回金额低 于帐面价值
三年以上预付	客户	3,472,543.39	三年以 上	倒闭	3,472,543.39	100.00	时间较长, 预计可收回金额低 于帐面价值
上海永胜自行 车公司		1,127,825.43	三年以 上	倒闭	1,127,825.43	100.00	时间较长, 预计可收回金额低 于帐面价值
其他零星户	客户	5,516,195.55	三年以 上	倒闭	5,516,195.55	100.00	时间较长, 预计可收回金额低 于帐面价值
合计	/	48,652,232.61	/	/	48,652,232.61	/	/

(6) 本报告期其他应收款中无持有公司 5%(含 5%) 以上表决权股份的股东单位的欠款

6、预付帐款：

(1) 预付帐款帐龄

单位: 元 币种: 人民币

帐龄	期末数		期初数	
	金额	比例	金额	比例
一年以内	53,150,864.71	99.18	47,415,300.59	99.08
一至二年	347,428.86	0.65	347,428.86	0.72
二至三年	93,901.46	0.17	93,901.46	0.20
三年以上				
合计	53,592,195.03	100.00	47,856,630.91	100.00

(2) 预付帐款前五名欠款情况

单位: 元 币种: 人民币

	期末数		期初数	
	金额	比例	金额	比例
前五名欠款单位合计及比例	34,384,940.00	64.16	26,000,000.00	54.33

(3) 预付帐款主要单位

单位:元 币种:人民币

单位名称	与本公司关系	欠款金额	欠款时间	欠款原因
上海至正企业发展有限公司	供应商	10,000,000.00	半年以内	供货单位的发票未到所致
横店集团联宜电机有限公司	供应商	8,384,940.00	半年以内	供货单位的发票未到所致
上海杰事杰新材料股份有限公司	供应商	7,000,000.00	半年以内	供货单位的发票未到所致
南京金星石化实业有限公司上海分公司	供应商	5,000,000.00	半年以内	供货单位的发票未到所致
上海圆通贸易有限公司	供应商	4,000,000.00	半年以内	供货单位的发票未到所致
合计	/	34,384,940.00	/	/

(4) 本报告期预付帐款中无持有公司5%(含5%)以上表决权股份的股东单位的欠款

本公司帐龄为1-2年、2-3年预付帐款441,330.32元,主要为供货单位的发票未到所致,本公司对上述存货已估价入帐。

7、应收补贴款:

单位:元 币种:人民币

项目	期初数	本期增加数	本期减少数	期末数
应收出口退税	1,817,454.50	6,562,490.87	4,415,773.38	3,964,171.99
合计	1,817,454.50	6,562,490.87	4,415,773.38	3,964,171.99

8、存货:

(1) 存货分类

单位:元 币种:人民币

项目	期末数			期初数		
	账面余额	跌价准备	账面价值	账面余额	跌价准备	账面价值
原材料	36,294,032.61	1,035,295.81	35,258,736.80	59,562,987.34	1,035,295.81	58,527,691.53
库存商品	47,923,085.32	3,601,823.41	44,321,261.91	24,065,499.42	3,601,823.41	20,463,676.01
包装物	60,054.36		60,054.36	53,667.15	0	53,667.15
委托加工物资	1,489,884.95		1,489,884.95	1,378,724.32	0	1,378,724.32
低值易耗品	8,852.35		8,852.35	17,684.46	0	17,684.46
产成品	23,613,580.64	269,839.89	23,343,740.75	34,216,959.96	269,839.89	33,947,120.07
在产品	13,340,268.49		13,340,268.49	10,405,494.90	0	10,405,494.90
工程施工	5,121,834.57	345,793.79	4,776,040.78	3,468,737.54	345,793.79	3,122,943.75
自制半成品	11,455,595.03		11,455,595.03			
合计	139,307,188.32	5,252,752.90	134,054,435.42	133,169,755.09	5,252,752.90	127,917,002.19

(2) 存货跌价准备

单位:元 币种:人民币

项目	期初数	本期增加	本期减少	期末数
原材料	1,035,295.81	0	0	1,035,295.81
库存商品	3,601,823.41	0	0	3,601,823.41
产成品	269,839.89	0	0	269,839.89
工程施工	345,793.79	0	0	345,793.79
合计	5,252,752.90	0	0	5,252,752.90

期末存货按成本高于可变现净值的差额计提存货跌价准备,确定可变现净值的依据为市场售价减去预计费用后的净值。

9、待摊费用:

单位:元 币种:人民币

类别	期初数	本期增加数	本期摊销数	期末数	期末结存原因
租赁费	55,297.00	201,557.65	79,002.00	177,852.65	05年下半年房租

合计	55,297.00	201,557.65	79,002.00	177,852.65	/
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10、长期投资：

(1) 长期投资分类

单位：元 币种：人民币

项目	期初数	本期增加	本期减少	期末数
股票投资	2,019,565.75			2,019,565.75
对子公司投资				
对合营公司投资				
对联营公司投资				
其他股权投资	35,475,507.54		5,750,464.76	29,725,042.78
股权投资差额	16,686,183.98		1,069,531.68	15,616,652.30
合并价差				
合计	54,181,257.27		6,819,996.44	47,361,260.83
减：长期股权投资减值准备	11,950,893.53			11,950,893.53
长期股权投资净值合计	42,230,363.74	/	/	35,410,367.30

(2) 长期股票投资

单位：元 币种：人民币

被投资公司名称	股份类别	股票数量	占被投资公司注册资本比例(%)	初始投资成本	投资金额	帐面净额	期末市价
第一百货	上市公司法人股	12,012	5%	47,865.75	47,865.75	47,865.75	
长江经济联合	非上市公司法人股	416,000	5%	708,400.00	708,400.00	708,400.00	
恒通实业	非上市公司法人股	10,000	5%	18,300.00	18,300.00	18,300.00	
盐城橡胶股份	非上市公司法人股	30,000	5%	30,000.00	30,000.00	30,000.00	
武汉钢电股份	非上市公司法人股	1,115,000	5%	1,115,000.00	1,115,000.00	1,115,000.00	
森威集团	非上市公司法人股	100,000	5%	100,000.00	100,000.00	100,000.00	
合计	/		/	2,019,565.75	2,019,565.75	2,019,565.75	/

(3) 其他股权投资

单位：元 币种：人民币

被投资单位名称	占被投资公司注册资本比例(%)	投资成本	期初余额	本期增减额	累计增减额	期末余额	核算方法
上海永士机械有限公司(注1)	34.86	3,364,149.25	3,364,149.25			3,364,149.25	成本法核算
上海永久联销公司(注2)	50.00	638,369.00	638,369.00			638,369.00	成本法核算
上海永车实业有限公司		200,000.00	200,000.00			200,000.00	成本法核算
永久综合服务公司		200,000.00	200,000.00			200,000.00	成本法核算
中联技术发展经营部		347,000.00	347,000.00			347,000.00	成本法核算
厂工会三产		200,000.00	200,000.00			200,000.00	成本法核算
上海轻工装备公司技校		25,000.00	25,000.00			25,000.00	成本法核算
上海永轻汽车修理厂(注3)		240,000.00	240,000.00			240,000.00	成本法核算
上海永久三和电动自行车有限公司(注4)	51.00	364,671.62	364,671.62			364,671.62	成本法核算
上海海鸥数码影像股份有限公司	9.61	14,410,000.00	14,410,000.00			14,410,000.00	成本法核算
上海永胜自行车有限公司	45.00	31,309,303.66	9,417,702.52		-21,891,601.14	9,417,702.52	权益法核算
上海永久贸易有限公司	100.00	1,687,100.00	0		-1,687,100.00	0	权益法核算
上海永久助力车九江有限公司	51.00	510,000.00	318,150.39		-191,849.61	318,150.39	权益法核算
上海顺理物业管理有限公司(注5)	90.00	453,338.31	453,338.31	-453,338.31			
上海迪卡侬中路体育用品零售有限公司(注6)	35.00	5,297,126.45	5,297,126.45	-5,297,126.45			
合计	/	37,162,607.54	35,475,507.54	-5,750,464.76	-23,770,550.75	29,725,042.78	/

被投资单位名称	减值准备	
	期初数	期末数
上海永久联销公司（注 2）	638,369.00	638,369.00
上海永车实业有限公司	200,000.00	200,000.00
永久综合服务公司	200,000.00	200,000.00
中联技术发展经营部	347,000.00	347,000.00
厂工会三产	200,000.00	200,000.00
上海轻工装备公司技校	25,000.00	25,000.00
上海永轻汽车修理厂（注 3）	240,000.00	240,000.00
上海永久三和电动自行车有限公司（注 4）	364,671.62	364,671.62
上海永胜自行车有限公司	9,417,702.52	9,417,702.52
上海永久助力车九江有限公司	318,150.39	318,150.39
合计	11,950,893.53	11,950,893.53

注 1：本公司对上海永士机械有限公司虽持有 34.86% 的股权，但根据与香港艾柏士企业公司签订的承包经营协议，对其无重大影响，故采用成本法核算。

注 2：本公司对上海永久联销公司虽持有 50% 的股权，但未参与主要经营管埋，无实质控制权且对其生产经营并未有重大影响，故采用成本法核算，并对其预计贬值部分计提长期投资减值准备。

注 3：上海永轻汽车修理厂本年仍处于清算阶段，采用成本法核算长期股权投资，并对其预计贬值部分计提长期投资减值准备。

注 4：本公司对上海永久三和电动自行车有限公司虽持有 51% 的股权，但资本未投足，未参与主要经营管埋，无实质控制权且对其生产经营并未有重大影响，故采用成本法核算长期投资，并对其预计贬值部分计提长期投资减值准备。

注 5：本公司下属子公司上海永久房地产开发经营有限公司于 2005 年 2 月完成了出售上海顺理物业有限公司的工商登记变更，相关股权转让程序已全部完成。

注 6：本公司下属子公司上海中路实业有限公司于 2004 年签订了对上海迪卡侬中路体育用品零售有限公司股权转让协议，并于 2005 年 1 月获商务部批准并办理完毕工商登记变更手续。

#### （4）股权投资差额

单位：元 币种：人民币

被投资单位名称	期初金额	初始余额	本期减少	摊销金额	期末余额	形成原因	摊销年限
上海永久股份有限公司苏州公司	-1,970,457.50	-6,568,081.98	-328,401.12	4,926,025.60	-1,642,056.38	注 1	10
上海中路实业有限公司	17,236,053.35	25,854,080.14	1,292,704.02	9,910,730.81	15,943,349.33	注 2	10
上海永久房地产开发经营有限公司	1,420,588.13	2,104,575.14	105,228.78	789,215.79	1,315,359.35	注 3	10
合计	16,686,183.98	21,390,573.30	1,069,531.68	5,773,921.60	15,616,652.30	/	/

注 1：本公司于 1996 年 1 月以人民币 11,730,000.00 元，受让获得上海永久股份有限公司苏州公司 51% 的股权。当时该公司的净资产为 35,878,592.11 元，产生股权投资差额 -6,568,081.98 元，公司根据财政部有关规定按 10 年摊销。

注 2：本公司于 2001 年 9 月以应收款 195,295,469.20 元，受让获得上海中路实业有限公司及上海中路保龄设备制造有限公司各 90% 的股权。当时上述两家公司的净资产为 188,268,210.07 元，产生股权投资差额 25,854,080.14 元。公司根据财政部有关规定按 10 年摊销。2002 年度，上海中路实业有限公司吸收合并了上海中路保龄设备制造有限公司，公司将原对上海中路保龄设备制造有限公司的股权投资差额摊余价值转入上海中路实业有限公司的股权投资差额，并在剩余年限内摊销。

注 3：本公司下属子公司上海中路实业有限公司于 2001 年 9 月以人民币 4,300,000.00 元，受让获得上海永久房地产开发经营有限公司 53.75% 的股权。根据上海永久房地产开发经营有限公司 2001 年 2 月 2 日股东会决议，2000 年 12 月 31 日前的所有权益归本公司所有，从 2001 年 1 月起，按股权比例分享新增权益。2001 年 1 - 9 月上海永久房地产开发经营有限公司的净利润为 -3,915,488.61 元，故

上海中路实业有限公司受让股权时所享受的留存收益为-2,104,575.14 元，产生股权投资差额 2,104,575.14 元，公司根据财政部有关规定按 10 年摊销。

11、固定资产：

单位：元 币种：人民币

项目	期初数	本期增加数	本期减少数	期末数
一、原价合计：	202,343,252.63	1,668,380.05	3,380,633.59	200,630,999.09
其中：房屋及建筑物	98,589,461.39			98,589,461.39
机器设备	103,753,791.24	1,668,380.05	3,380,633.59	102,041,537.70
二、累计折旧合计：	89,597,522.74	4,219,588.49	1,912,950.01	91,904,161.22
其中：房屋及建筑物	31,521,440.00	1,837,203.75		33,358,643.75
机器设备	58,076,082.74	2,382,384.74	1,912,950.01	58,545,517.47
三、固定资产净值合计	112,745,729.89	-2,551,208.44	1,467,683.58	108,726,837.87
其中：房屋及建筑物	67,068,021.39	-1,837,203.75		65,230,817.64
机器设备	45,677,708.50	-714,004.69	1,467,683.58	43,496,020.23
四、减值准备合计	19,708,116.51			19,708,116.51
其中：房屋及建筑物	497,753.37			497,753.37
机器设备	19,210,363.14			19,210,363.14
五、固定资产净额合计	93,037,613.38	-2,551,208.44	1,467,683.58	89,018,721.36
其中：房屋及建筑物	66,570,268.02	-1,837,203.75		64,733,064.27
机器设备	26,467,345.36	-714,004.69	1,467,683.58	24,285,657.09

12、在建工程：

单位：元 币种：人民币

项目	期末数			期初数		
	帐面余额	减值准备	帐面净额	帐面余额	减值准备	帐面净额
在建工程	104,068,029.75		104,068,029.75	86,360,637.75		86,360,637.75

(1) 在建工程项目变动情况：

单位：元 币种：人民币

项目名称	预算数	期初数	本期增加	本期减少	转入固定资产	利息资本化率	资金来源	期末数
大场基建工程	---	---	308,938.46		29,200.00	0	自有	279,738.46
中央工厂建设	52,350,000.00	15,398,399.94	14,134,922.61			0	自有	29,533,322.55
中央工厂土地(转让金)	68,550,000.00	67,500,000.00	1,050,000.00			0	自有	68,550,000.00
中央工厂土地(土地税费)	1,176,960.00	1,176,960.00	1,738,193.43			0	自有	2,915,153.43
零星项目	---	2,285,277.81	879,280.24		374,742.74	0	自有	2,789,815.31
合计	---	86,360,637.75	18,111,334.74		403,942.74	/	/	104,068,029.75

在建工程年末数比年初数增加 17,707,392.00 元，增加比例为 20.51%，增加原因为本期对中央工厂的建设投资增加。

13、固定资产清理：

单位：元 币种：人民币

项目	期初数	本期增加数	本期减少数	期末数
报废机器设备	0	1,071,707.33	0	1,071,707.33
合计	0	1,071,707.33	0	1,071,707.33

报废机器设备尚未清理完毕。

14、无形资产：

单位：元 币种：人民币

项目	期末数			期初数		
	帐面余额	减值准备	帐面净额	帐面余额	减值准备	帐面净额
无形资产	18,633,915.40		18,633,915.40	18,880,151.32		18,880,151.32

(1) 无形资产变动情况：

单位：元 币种：人民币

种类	取得方式	实际成本	期初数	本期增加	本期转出	本期摊销	累计摊销	期末数	剩余摊销期限
土地使用权(注)	划拨	1,960,000.00	1,518,999.88			19,600.02	460,600.14	1,499,399.86	38年3个月
土地使用权(注)	出让	16,663,589.40	14,660,424.21			168,403.40	2,171,568.59	14,492,020.81	43年5个月
财务软件		357,350.00	269,264.43	3,600.00		30,689.20	118,774.77	242,175.23	3年1个月
水源贴费		2,400,000.00	1,860,000.00			24,000.00	564,000.00	1,836,000.00	38年3个月
无产权职工住宅		714,328.60	571,462.80			7,143.30	150,009.10	564,319.50	39年6个月
合计	/	22,095,268.00	18,880,151.32	3,600.00		249,835.92	3,464,952.60	18,633,915.40	/

注：该土地使用权年末已抵押，详见附注十（二）

15、长期待摊费用：

单位：元 币种：人民币

种类	原始金额	期初数	本期增加	本期转出	本期摊销	累计摊销	期末数	剩余摊销期限
预付协保人员社保费	10,000,000.00	8,000,000.00	0	0	1,000,000.00	3,000,000.00	7,000,000.00	7年
合计	10,000,000.00	8,000,000.00	0	0	1,000,000.00	3,000,000.00	7,000,000.00	/

16、短期借款：

(1) 短期借款分类：

单位：元 币种：人民币

项目	期末数	期初数
质押借款		
抵押借款	90,000,000.00	61,000,000.00
担保借款	62,000,000.00	94,000,000.00
信用借款		
商业承兑汇票贴现	11,753,203.00	22,352,528.00
合计	163,753,203.00	177,352,528.00

17、应付票据：

单位：元 币种：人民币

种类	持票人	期末数	期初数	出票日	到期日
商业承兑汇票	杭州骏骐车业有限公司	100,000.00		2005-06-30	2005-07-30
商业承兑汇票	深圳喜德盛自行车有限公司	100,000.00		2005-06-30	2005-10-30
商业承兑汇票	广州从化科力自行车厂	200,000.00		2005-06-30	2005-11-30
商业承兑汇票	天津科力电动车有限公司	100,000.00		2005-06-30	2005-09-30
商业承兑汇票	天津奥特莱自行车制造有限公司	70,000.00		2005-06-30	2005-10-30
商业承兑汇票	成都中久自行车制造有限公司	150,000.00		2005-06-30	2005-10-30
商业承兑汇票	上海宝麒自行车有限公司	30,000.00		2005-06-30	2005-07-30
合计	/	750,000.00		/	/

18、应付帐款：

(1) 应付帐款帐龄

单位：元 币种：人民币

账龄	期末数		期初数	
	金额	比例	金额	比例

一年以内	120,668,038.99	100.00	144,614,261.72	100.00
一至二年				
二至三年				
三年以上				
合计	120,668,038.99	100.00	144,614,261.72	100.00

期末余额中无欠持本公司 5% 以上（含 5%）表决权股份的股东款项。

19、预收帐款：

(1) 预收帐款帐龄

单位：元 币种：人民币

账龄	期末数		期初数	
	金额	比例	金额	比例
一年以内	22,276,196.29	100.00	31,744,041.28	100.00
一至二年				
二至三年				
三年以上				
合计	22,276,196.29	100.00	31,744,041.28	100.00

期末余额中无欠持本公司 5% 以上（含 5%）表决权股份的股东欠款。

20、应付工资：

单位：元 币种：人民币

项目	期末数	期初数	未支付原因
应付工资	6,650,490.94	7,588,880.12	历年结余数
合计	6,650,490.94	7,588,880.12	/

21、应付福利费：

单位：元 币种：人民币

项目	期末数	期初数	未支付原因
应付福利费	3,276,152.30	2,998,425.99	按政策计提余额
合计	3,276,152.30	2,998,425.99	/

22、应付股利：

单位：元 币种：人民币

项目	期末数	期初数	未支付原因
法人股股利	87,402.00	87,402.00	尚未领取数
合计	87,402.00	87,402.00	/

23、应交税金：

单位：元 币种：人民币

项目	期末数	期初数	计缴标准
增值税	16,730,660.92	22,141,166.00	17%
营业税	855,685.00	1,231,680.99	5%、3%
所得税	163,301.03	91,305.40	附注四（四）
个人所得税		844.91	
城建税	898,431.85	916,556.66	1%、7%
土地使用税、印花税	40,726.89	97,020.90	
房产税	212,114.20	211,692.69	
合计	18,900,919.89	24,690,267.55	/



应交税金期末数比期初数减少 5,789,347.66 元，减少比例为 23.45%，主要原因为本公司上缴上年末的应缴增值税所致。

24、其他应交款：

单位：元 币种：人民币

项目	期末数	期初数	费率说明
教育费附加	1,731,066.13	1,760,093.43	3%
堤防费	808,983.65	808,983.65	
义务兵优待金	129,545.48	129,545.48	
河道管理费	27,595.39	40,203.28	1%、0.5%
其他	1,120.96	5,179.48	
合计	2,698,311.61	2,744,005.32	

25、其他应付款：

(1) 其他应付款帐龄

单位：元 币种：人民币

账龄	期末数		期初数	
	金额	比例	金额	比例
一年以内	41,006,171.19	100.00	47,293,215.73	100.00
一至二年				
二至三年				
三年以上				
合计	41,006,171.19	100.00	47,293,215.73	100.00

(2) 其他应付款主要单位

单位：元 币种：人民币

单位名称	欠款金额	欠款时间	欠款原因
土地置换专款	8,600,000.00		土地置换税金
合计	8,600,000.00	/	/

(3) 其他应付款的说明：

期末余额中无欠持本公司 5% 以上（含 5%）表决权股份的股东欠款。

26、预提费用：

单位：元 币种：人民币

项目	期末数	期初数	结存原因
利息	200,695.61	229,856.41	按借款期限计提
产品促销费	594,983.06	2,491,863.04	按销售数量计提
加工费	285,381.12	2,754,150.00	按生产量计提
合计	1,081,059.79	5,475,869.45	/

27、一年到期的长期负债：

单位：元 币种：人民币

种类	借款起始日	借款终止日	期末数			期初数
			利率	币种	本币金额	本币金额
保证借款	2000-09-22	2003-09-21	0.0297	人民币	800,000.00	800,000.00
合计	/	/	/	/	800,000.00	

贷款单位	贷款金额	贷款利率	借款期限
建设银行上海第二支行	800,000.00	2.97%	2000 年 9 月 22 日- 2003 年 9 月 21 日

28、股本：

单位：股

	期初值	本次变动增减(+,-)						期末值
		配股	送股	公积金转股	增发	其他	小计	
一、未上市流通股份								
1、发起人股份	170,209,430.00							170,209,430.00
其中：								
国家持有股份	26,569,430.00							26,569,430.00
境内法人持有股份	143,640,000.00							143,640,000.00
境外法人持有股份								
其他								
2、募集法人股份	11,500,000.00							11,500,000.00
3、内部职工股								
4、优先股或其他								
未上市流通股份合计	181,709,430.00							181,709,430.00
二、已上市流通股份								
1、人民币普通股	14,950,000.00							14,950,000.00
2、境内上市的外资股	69,000,000.00							69,000,000.00
3、境外上市的外资股								
4、其他								
已上市流通股份合计	83,950,000.00							83,950,000.00
三、股份总数	265,659,430.00							265,659,430.00

29、资本公积：

单位：元 币种：人民币

项目	期初数	本期增加	本期减少	期末数
股本溢价				
接受捐赠非现金资产准备	2,700.00			2,700.00
接受现金捐赠				
股权投资准备	150,000.00			150,000.00
关联交易差价	30,000,000.00			30,000,000.00
拨款转入				
外币资本折算差额				
其他资本公积				
合计	30,152,700.00			30,152,700.00

30、盈余公积：

单位：元 币种：人民币

项目	期初数	本期增加	本期减少	期末数
法定盈余公积	6,206,025.49			6,206,025.49
法定公益金	4,267,773.13			4,267,773.13
任意盈余公积				
储备基金				
企业发展基金				
其他盈余公积				
合计	10,473,798.62			10,473,798.62

31、未分配利润：

单位：元 币种：人民币

项目	期末数	期初数
净利润	20,195,306.94	50,710,827.70
加：年初未分配利润	-33,354,006.71	-591,994,920.72
其他转入		508,932,746.64

减：提取法定盈余公积		634,864.29
提取法定公益金		367,796.04
未分配利润	-13,158,699.77	-33,354,006.71

32、主营业务收入及主营业务成本：

(1) 分行业主营业务

单位：元 币种：人民币

行业名称	本期数			上期数		
	营业收入	营业成本	营业毛利	营业收入	营业成本	营业毛利
1. 工业	185,006,231.21	135,539,848.60	49,466,382.61	189,434,945.32	145,879,062.61	43,555,882.71
2. 商业	332,845,380.78	303,261,036.92	29,584,343.86	294,948,152.45	266,758,196.12	28,189,956.33
3. 房地产业				---	---	
4. 施工企业	653,877.00	110,036.84	543,840.16	2,067,904.00	115,407.23	1,952,496.77
其中：关联交易						
合计	518,505,488.99	438,910,922.36	79,594,566.63	486,451,001.77	412,752,665.96	73,698,335.81
内部抵消	9,809,564.71	9,809,564.71		37,805,683.11	37,805,683.11	0
合计	508,695,924.28	429,101,357.65	79,594,566.63	448,645,318.66	374,946,982.85	73,698,335.81

(2) 分产品主营业务

单位：元 币种：人民币

产品名称	本期数			上期数		
	营业收入	营业成本	营业毛利	营业收入	营业成本	营业毛利
自行车业类	466,872,441.33	405,945,038.69		394,609,169.50	337,725,774.69	
其中：自行车	221,943,174.75	205,367,510.79		200,928,985.44	175,861,162.20	
燃气助动车	125,697,064.99	93,185,202.86		113,103,484.83	94,524,134.37	
电动自行车	119,232,201.59	107,392,325.04		80,576,699.23	67,340,478.12	
康体产业类	50,979,170.66	32,855,846.83		89,773,928.27	74,911,484.04	
施工企业	653,877.00	110,036.84		2,067,904.00	115,407.23	
其中：关联交易						
合计	518,505,488.99	438,910,922.36		486,451,001.77	412,752,665.96	
内部抵消	9,809,564.71	9,809,564.71		37,805,683.11	37,805,683.11	
合计	508,695,924.28	429,101,357.65		448,645,318.66	374,946,982.85	

(3) 分地区主营业务

单位：元 币种：人民币

地区名称	本期数			上期数		
	营业收入	营业成本	营业毛利	营业收入	营业成本	营业毛利
境内	431,508,204.11	366,626,389.42		418,868,774.89	54,187,830.12	
境外	86,997,284.88	72,284,532.94		67,582,226.88	358,564,835.84	
其中：关联交易						
合计	518,505,488.99	438,910,922.36		486,451,001.77	412,752,665.96	
内部抵消	9,809,564.71	9,809,564.71		37,805,683.11	37,805,683.11	
合计	508,695,924.28	429,101,357.65		448,645,318.66	374,946,982.85	

33、主营业务税金及附加：

单位：元 币种：人民币

项目	本期数	上期数	计缴标准
营业税	96,389.48	164,542.07	3%、5%
城建税	84,366.31	94,781.29	1%、7%
教育费附加	107,330.68	168,014.08	3%
合计	288,086.47	427,337.44	/

34、其他业务利润：

单位:元 币种:人民币

项目	本期数			上期数		
	收入	成本	利润	收入	成本	利润
租赁业务	251,000.00	20,916.30	300,342.66	29,564.00	10,124.70	19,439.30
材料销售	14,125,749.50	13,954,245.50	101,245.04	2,396,194.79	2,241,918.22	154,276.57
商标使用费	3,164,814.18	1,142,100.20	2,022,713.98	980,208.00	689,516.45	290,691.55
其他				826,246.45	824,119.05	2,127.40
合计	17,541,563.68	15,117,262.00	2,424,301.68	4,232,213.24	3,765,678.42	466,534.82

其他业务利润本期发生额比上期发生额增加 1,957,766.86 元, 增加比例为 419.80%, 增加的主要原因:

本年度因产销增加而相应增加了商标使用费。

35、财务费用:

单位:元 币种:人民币

项目	本期数	上期数
利息支出	4,418,662.75	3,885,089.59
减:利息收入	241,108.51	380,623.16
汇兑损失	108,808.71	162,065.50
减:汇兑收益	15.90	8,349.16
其他	191,649.26	276,911.07
合计	4,477,996.31	3,935,093.84

36、投资收益:

单位:元 币种:人民币

项目	本期数	上期数
短期投资收益	-23,200.00	6,023,898.56
其中:股票投资收益	-23,200.00	23,898.56
其他短期投资收益		6,000,000.00
长期投资收益	835,232.33	-742,902.90
其中:按权益法确认收益	1,808,102.32	
按成本法核算的被投资单位分派利润		221,400.00
长期股权投资差额摊销	-1,069,531.68	-964,302.90
股权投资转让收益	96,661.69	
合计	812,032.33	5,280,995.66

37、补贴收入:

单位:元 币种:人民币

项目	本期数	上期数	收入来源
财政补贴	654,502.00	705,317.61	
合计	654,502.00	705,317.61	/

38、营业外收入:

单位:元 币种:人民币

项目	本期数	上期数
赔偿及罚款收入	17,370.00	70,055.00
其他	23,500.00	
合计	40,870.00	70,055.00

39、营业外支出：

单位：元 币种：人民币

项目	本期数	上期数
捐赠	200,000.00	232,896.00
罚款支出	40,000.00	5,370.41
其他	7,104.00	
合计	247,104.00	238,266.41

40、所得税：

单位：元 币种：人民币

项目	本期数	上期数
所得税	56,317.53	490,231.05
合计	56,317.53	490,231.05

(七) 母公司会计报表附注：

1、应收账款：

(1) 应收账款帐龄

单位：元 币种：人民币

账龄	期末数					期初数				
	账面余额		坏账准备		账面净额	账面余额		坏账准备		账面净额
	金额	比例 (%)	金额	计提比例 (%)		金额	比例 (%)	金额	计提比例 (%)	
一年以内	17892494.84	33.33	8541600.83	5.00	9350894.01	21760496.67	37.81	10388125.19	5.00	11372371.48
一至二年	17342731.25	32.30	4508907.50	10.00	12833823.75	17342731.25	30.13	4508907.50	10.00	12833823.75
二至三年	9113397.83	16.98	2734019.35	30.00	6379378.48	9113397.83	15.84	2734019.35	30.00	6379378.48
三年以上	9336564.17	17.39	9336564.17	100.00	0	9336564.17	16.22	9336564.17	100.00	0
合计	53685188.09	100.00	25121091.85		28564096.24	57553189.92	100.00	26967616.21		30585573.71

(2) 应收帐款坏帐准备变动情况

单位：元 币种：人民币

项目	期初余额	本期增加数	本期减少数			期末余额
			转回数	转出数	合计	
应收帐款坏帐准备	26,967,616.21		1,846,524.36		1,846,524.36	25,121,091.85

(3) 应收账款前五名欠款情况

单位：元 币种：人民币

	期末数		期初数	
	金额	比例 (%)	金额	比例 (%)
前五名欠款单位合计及比例	45,731,213.26	85.18	47,307,024.62	82.22

(4) 本报告期坏帐准备全额计提,或计提比例超过 40%及以上的其他应收款情况

单位：元 币种：人民币

单位名称	与本公司关系	欠款金额	欠款时间	欠款原因	计提坏帐金额	计提坏帐比例 (%)	计提坏帐原因

上海自行车厂南翔分厂		4,858,868.14	3 年以上	倒闭	4,858,868.14	100.00	时间较长, 预计可收回金额低于帐面价值
上海永久贸易有限公司		1,962,606.68	3 年以上	清算中	1,962,606.68	100.00	时间较长, 预计可收回金额低于帐面价值
永久宾馆		1,890,395.00	3 年以上	倒闭	1,890,395.00	100.00	时间较长, 预计可收回金额低于帐面价值
其他零星户		624,694.35	3 年以上	倒闭	624,694.35	100.00	时间较长, 预计可收回金额低于帐面价值
合计	/	9,336,564.17	/	/	9,336,564.17	/	/

(5) 本报告期应收帐款中无持有公司 5%(含 5%)以上表决权股份的股东单位的欠款

2、其他应收款：

(1) 其他应收款帐龄

单位: 元 币种: 人民币

账龄	期末数					期初数				
	账面余额		坏账准备		账面净额	账面余额		坏账准备		账面净额
	金额	比例 (%)	金额	计提比例 (%)		金额	比例 (%)	金额	计提比例 (%)	
一年以内	40,238,300.75	45.98	2,011,915.04	5.00	38,226,385.71	3,150,044.92	6.47	157,502.25	5.00	2,992,542.67
一至二年	2,750,682.65	3.14	275,068.27	10.00	2,475,614.39	1,428,682.65	2.93	142,868.27	10.00	1,285,814.38
二至三年	408,682.65	0.47	217,439.42	30.00	191,243.23	35,000.00	0.07	10,500.00	30.00	24,500.00
三年以上	44,121,204.63	50.41	44,121,204.63			44,121,204.63	90.53	44,121,204.63	100.00	0
合计	87,518,870.68	100.00	46,625,627.35		40,893,243.33	48,734,932.20	100.00	44,432,075.15		4,302,857.05

(2) 其他应收款坏帐准备变动情况

单位: 元 币种: 人民币

项目	期初余额	本期增加数	本期减少数			期末余额
			转回数	转出数	合计	
其他应收款坏帐准备	44,432,075.15	2,193,552.20				46,625,627.35

(3) 其他应收款前五名欠款情况

单位: 元 币种: 人民币

	期末数		期初数	
	金额	比例 (%)	金额	比例 (%)
前五名欠款单位合计及比例	67,862,345.47	77.54	43,237,371.39	88.72

(4) 本报告期坏帐准备全额计提, 或计提比例超过 40% 及以上的其他应收款情况

单位: 元 币种: 人民币

单位名称	与本公司关系	欠款金额	欠款时间	欠款原因	计提坏帐金额	计提坏帐比例 (%)	计提坏帐原因
亚洲 ABC 自行车厂		33,818,827.37	三年以上	暂借款	33,818,827.37	100.00	时间较长, 预计可收回金额低于帐面价值
分厂其他应收款		4,716,840.87	三年以上	暂借款	4,716,840.87	100.00	时间较长, 预计可收回金额低于帐面价值
三年以上预付		3,472,543.39	三年以上	暂借款	3,472,543.39	100.00	时间较长, 预计可收回金额低于帐面价值
永胜公司		1,127,825.43	三年以上	暂借款	1,127,825.43	100.00	时间较长, 预计可收回金额低于帐面价值
其他零星户		985,167.57	三年以上	暂借款	985,167.57	100.00	时间较长, 预计可收回金额低于帐面价值
合计	/	44,121,204.63	/	/	44,121,204.63	/	/

(5) 本报告期其他应收款中无持有公司 5%(含 5%)以上表决权股份的股东单位的欠款

3、长期投资：

(1) 长期投资分类

单位: 元 币种: 人民币

项目	期初数	本期增加	本期减少	期末数
股票投资	1,919,565.75			1,919,565.75
对子公司投资				
对合营公司投资				
对联营公司投资				
其他股权投资	220,845,368.11	1,309,016.53		222,154,384.64
股权投资差额	15,265,595.85		964,302.90	14,301,292.95
合并价差				
合计	238,030,529.71	1,309,016.53	964,302.90	238,375,243.34
减: 长期股权投资减值准备	11,346,221.91			11,346,221.91
长期股权投资净值合计	226,684,307.80	/	/	227,029,021.43

(2) 长期股票投资

单位: 元 币种: 人民币

被投资公司名称	股份类别	股票数量	占被投资公司注册资本比例(%)	初始投资成本	投资金额	帐面净额	期末市价
第一百货	上市公司法人股	12,012	<5%	47,865.75	47,865.75	47,865.75	
长江经济联合	非上市公司法人股	416,000	<5%	708,400.00	708,400.00	708,400.00	
恒通实业	非上市公司法人股	10,000	<5%	18,300.00	18,300.00	18,300.00	
盐城橡胶股份	非上市公司法人股	30,000	<5%	30,000.00	30,000.00	30,000.00	
武汉钢电股份	非上市公司法人股	1,115,000	<5%	1,115,000.00	1,115,000.00	1,115,000.00	
合计	/		/	1,919,565.75		1,919,565.75	/

(3) 其他股权投资

单位: 元 币种: 人民币

被投资单位名称	占被投资公司注册资本比例(%)	投资成本	期初余额	本期增减额	分得的现金红利	期末余额	核算方法
上海永士机械有限公司(注1)	34.86	3,364,149.25	3,364,149.25			3,364,149.25	成本法
上海永久联销公司(注2)	50.00	638,369.00	638,369.00			638,369.00	成本法
上海永车实业有限公司		200,000.00	200,000.00			200,000.00	成本法
永久综合服务公司		200,000.00	200,000.00			200,000.00	成本法
中联技术发展经营部		347,000.00	347,000.00			347,000.00	成本法
厂工会三产		200,000.00	200,000.00			200,000.00	成本法
上海轻工装备公司技校		25,000.00	25,000.00			25,000.00	成本法
上海永久股份有限公司苏州公司	51.00	11,730,000.00	2,301,129.25	-923,926.08		1,377,203.17	权益法
上海永久房地产开发经营有限公司	46.25	3,700,000.00	12,631,794.28	-35,387.80		12,596,406.48	权益法
上海申丽永久自行车有限公司	88.40	2,250,000.00	---			---	
上海永久自行车经销有限公司	89.19	3,300,000.00	---			---	

上海永久进出口有限公司	88.41	4,503,932.19	3,409,822.29	-678,717.93		2,731,104.36	权益法
上海中路实业有限公司	90.00	195,295,469.20	187,792,251.13	2,947,048.34		190,739,299.47	权益法
上海永久助力车九江有限公司	51.00	510,000	318,150.39			318,150.39	权益法
上海永胜自行车有限公司	45.00	31,309,303.66	9,417,702.52			9,417,702.52	权益法
上海永久贸易有限公司	100.00	16,871,000.00	---			---	
合计	/	/	259,260,323.3	220,845,368.11	1,309,016.53		222,154,384.64

被投资单位名称	减值准备	
	期初数	期末数
上海永久联销公司(注2)	638,369.00	638,369.00
上海永车实业有限公司	200,000.00	200,000.00
永久综合服务公司	200,000.00	200,000.00
中联技术发展经营部	347,000.00	347,000.00
厂工会三产	200,000.00	200,000.00
上海轻工装备公司技校	25,000.00	25,000.00
上海永久助力车九江有限公司	318,150.39	318,150.39
上海永胜自行车有限公司	9,417,702.52	9,417,702.52
合计	11,346,221.91	11,346,221.91

注 1：本公司对上海永士机械有限公司虽持有 34.86% 的股权，但根据与香港艾柏士企业公司签订的承包经营协议，对其无重大影响，故采用成本法核算。

注 2：本公司对上海永久联销公司虽持有 50% 的股权，但未参与主要经营管埋，无实质控制权且对其生产经营并未有重大影响，故采用成本法核算，并对其预计贬值部分计提长期投资减值准备。

(4) 股权投资差额

单位: 元 币种: 人民币

被投资单位名称	期初金额	初始余额	本期增加	本期减少	摊销金额	期末余额	形成原因	摊销年限
上海永久股份有限公司苏州公司	-1,970,457.50	-6,568,081.98			-328,401.12	-1,642,056.38	注 1	10
上海中路实业有限公司	17,236,053.35	25,854,080.14			1,292,704.02	15,943,349.33	注 2	10
合计	15,265,595.85	19,285,998.16			964,302.90	14,301,292.95	/	/

注 1：本公司于 1996 年 1 月以人民币 11,730,000.00 元，受让获得上海永久股份有限公司苏州公司 51% 的股权。当时该公司的净资产为 35,878,592.11 元，产生股权投资差额 -6,568,081.98 元，公司根据财政部有关规定按 10 年摊销。

注 2：本公司于 2001 年 9 月以应收款 195,295,469.20 元，受让获得上海中路实业有限公司及上海中路保龄设备制造有限公司各 90% 的股权。当时上述两家公司的净资产为 188,268,210.07 元，产生股权投资差额 25,854,080.14 元。公司根据财政部有关规定按 10 年摊销。2002 年度，上海中路实业有限公司吸收合并了上海中路保龄设备制造有限公司，公司将原对上海中路保龄设备制造有限公司的股权投资差额摊余价值转入上海中路实业有限公司的股权投资差额，并在剩余年限内摊销。

4、主营业务收入及主营业务成本：

(1) 分行业主营业务

单位: 元 币种: 人民币

行业名称	本期数			上期数		
	营业收入	营业成本	营业毛利	营业收入	营业成本	营业毛利
工业	125,748,217.11	93,188,310.55	32,559,906.56	90,172,927.23	65,515,594.60	24,657,332.63
其中: 关联交易						
合计	125,748,217.11	93,188,310.55	32,559,906.56	90,172,927.23	65,515,594.60	24,657,332.63
内部抵消						
合计	125,748,217.11	93,188,310.55	32,559,906.56	90,172,927.23	65,515,594.60	24,657,332.63



(2) 分产品主营业务

单位: 元 币种: 人民币

产品名称	本期数			上期数		
	营业收入	营业成本	营业毛利	营业收入	营业成本	营业毛利
LPG 助力车	125,748,217.11	93,188,310.55	32,559,906.56	90,172,927.23	65,515,594.60	24,657,332.63
其中: 关联交易						
合计	125,748,217.11	93,188,310.55	32,559,906.56	90,172,927.23	65,515,594.60	24,657,332.63
内部抵消						
合计	125,748,217.11	93,188,310.55	32,559,906.56	90,172,927.23	65,515,594.60	24,657,332.63

(3) 分地区主营业务

单位: 元 币种: 人民币

地区名称	本期数			上期数		
	营业收入	营业成本	营业毛利	营业收入	营业成本	营业毛利
上海地区	125,748,217.11	93,188,310.55	32,559,906.56	90,172,927.23	65,515,594.60	24,657,332.63
其中: 关联交易						
合计	125,748,217.11	93,188,310.55	32,559,906.56	90,172,927.23	65,515,594.60	24,657,332.63
内部抵消						
合计	125,748,217.11	93,188,310.55	32,559,906.56	90,172,927.23	65,515,594.60	24,657,332.63

5、投资收益：

单位: 元 币种: 人民币

项目	本期数	上期数
其中：按权益法确认收益	1,309,016.53	-198,152.46
按成本法核算的被投资单位分派利润		221,400.00
长期股权投资差额摊销	-964,302.90	-964,302.90
合计	344,713.63	-941,055.36

(八) 关联方及关联交易

1、存在控制关系关联方的基本情况

关联方名称	注册地址	主营业务	与本公司关系	经济性质	法人代表
上海中路(集团)有限公司	上海市南汇县康杉路 888 号	高科技项目开发, 信息与生物技术, 国内贸易(除专项规定), 投资经营管理, 房地产开发与物业管理, 文化传播, 种植, 养殖, 农副产品加工	控股股东	有限责任公司	陈荣
上海永久房地产开发经营公司	崇明工业园区秀山路 8 号 131 室	房地产开发经营、物业管理	控股子公司	有限责任公司	严爱民
上海永久股份有限公司苏州公司	苏州市郊上方山环山路 25 号	生产、销售自行车	控股子公司	有限责任公司	顾觉新
上海永久进出口有限公司	溧阳路 125 号 110 室	出口各类自行车、摩托车、健身器材	控股子公司	有限责任公司	顾觉新
上海永久自行车经销有限公司	上海市南汇区康桥镇康土路 17 号 274 室	自行车、助动车、摩托车和零配件销售	控股子公司	有限责任公司	颜奕鸣
上海申丽永久自行车有限公司	青浦区金泽镇	自行车、助动车制造加工、办公用品、针棉制品、健身器材、五金交电、百货粮油	控股子公司	有限责任公司	蔡逸伟
上海中路实业有限公司	沪南路 2502 号 409 室	保龄球设备、球道、保龄球、保龄瓶、木地板、皮鞋、服装制造加工等	控股子公司	有限责任公司	李杏明
上海中路保龄设备安装有限公司	南汇三灶镇北首	保龄设备安装维修	控股子公司	有限责任公司	沈建国

上海永久贸易有限公司	外高桥保税区 F 区 2 号综合楼 4200 室	国际贸易、保税区内贸易	控股子公司	有限责任公司	叶顺强
上海永久助力车九江有限公司	江西九江	生产销售定牌助力车	控股子公司	有限责任公司	
上海中路永久自行车经销有限公司	浦东新区沪南公路 1568 号 1 号楼	自行车、童车、助动车、摩托车及零配件、五金交电等	控股子公司	有限责任公司	王启龙
上海永久自动棋牌桌销售有限公司	浦东芳华路 188 弄 8 号	自动棋牌桌及配件的销售	控股子公司	有限责任公司	范伟
上海中路永久塑胶工程有限公司	普陀区真北路 3370 号 5 楼 132 座	塑胶田径运动场、篮球场、网球场及各类工厂塑胶地面材料的铺设等	控股子公司	有限责任公司	严爱民
上海中路永久技术服务有限公司	天目中路 380 号 8F	自行车、电动车及特种自行车及零部件和相关配套产品零售和批发、维修服务	全资子公司	有限责任公司	卢柏民
上海永久电动车经销有限公司	浦东新区赵高路 1578 号	自行车、电动车、童车及零配件、五金交电、百货的销售	全资子公司	有限责任公司	蔡逸伟

2、存在控制关系关联方的注册资本及其变化情况

单位: 万元 币种: 人民币

关联方名称	注册资本期初数	注册资本增减	注册资本期末数
上海中路(集团)有限公司	30,000.00		30,000.00
上海永久房地产开发经营公司	800.00		800.00
上海永久股份有限公司苏州公司	2,300.00		2,300.00
上海永久进出口有限公司	509.00		509.00
上海永久自行车经销有限公司	370.00		370.00
上海申丽永久自行车有限公司	250.00		250.00
上海中路实业有限公司	12,580.00		12,580.00
上海中路保龄设备安装有限公司	500.00		500.00
上海永久贸易有限公司	170.00		170.00
上海永久助力车九江有限公司	100.00		100.00
上海中路永久自行车经销有限公司	100.00		100.00
上海永久自动棋牌桌销售有限公司	50.00		50.00
上海中路永久塑胶工程有限公司	300.00		300.00
上海中路永久技术服务有限公司	50.00		50.00
上海永久电动车经销有限公司	200.00		200.00

3、存在控制关系的关联方所持股份及其变化情况

单位: 万元 币种: 人民币

关联方名称	关联方所持股份期初数	关联方所持股份比例期初数 (%)	关联方所持股份增减	关联方所持股份增减比例 (%)	关联方所持股份期末数	关联方所持股份比例期末数 (%)
上海中路(集团)有限公司	14,364.00	54.07			14,364.00	54.07
上海永久房地产开发经营公司	800.00	100.00			800.00	100.00
上海永久股份有限公司苏州公司	1,173.00	51.00			1,173.00	51.00
上海永久进出口有限公司	450.00	88.40			450.00	88.40
上海永久自行车经销有限公司	330.00	89.20			330.00	89.20
上海申丽永久自行车有限公司	225.00	90.00			225.00	90.00
上海中路实业有限公司	11,322.00	90.00			11,322.00	90.00
上海中路保龄设备安装有限公司	450.00	90.00			450.00	90.00
上海永久贸易有限公司	170.00	100.00			170.00	100.00
上海永久助力车九江有限公司	51.00	51.00			51.00	51.00
上海中路永久自行车经销有限公司	90.00	90.00			90.00	90.00
上海永久自动棋牌桌销售有限	45.00	90.00			45.00	90.00

公司						
上海中路永久塑胶工程有限公司	270.00	90.00			270.00	90.00
上海中路永久技术服务有限公司	50.00	100.00			50.00	100.00
上海永久电动车经销有限公司	200.00	100.00			200.00	100.00

4、不存在控制关系关联方的基本情况

关联方名称	关联方与本公司关系
陈荣	间接控股股东
上海自行车厂	股东的子公司
上海永久自行车制造有限公司	股东的子公司
上海永车实业总公司	联营公司
上海永胜自行车有限公司	联营公司
上海永轻汽车修配厂	联营公司
上海中路影视有限公司	母公司的控股子公司
上海中路 - 西能保龄设备器材有限公司	母公司的控股子公司

5、关联交易情况

(1) 购买商品、接受劳务的关联交易

单位: 元 币种: 人民币

关联方	关联交易事项	关联交易定价原则	本期数		上年同期数	
			金额	占同类交易金额的比例(%)	金额	占同类交易金额的比例(%)
上海自行车厂	向关联方采购货物	参照市场价按双方协商规定的价格	6,497,631.64	6.10	6,252.26	0.01
上海永久自行车制造有限公司	向关联方采购货物	参照市场价按双方协商规定的价格	64,570,227.71	20.19	30,352,808.31	11.50

(2) 其他关联交易

(1) 公司控股股东上海中路(集团)有限公司及公司控股股东法定代表人陈荣先生本年度共同为下属子公司上海中路实业有限公司贷款提供担保,累计金额人民币4,000万元。

(2) 公司控股股东上海中路(集团)有限公司本年度为下属子公司上海中路实业有限公司贷款提供担保,累计金额人民币3,875.3203万元。

6、关联方应收应付款项

单位: 元 币种: 人民币

应收应付款项名称	关联方	期初金额	期末金额
应收帐款	上海自行车厂	1,113,688.84	1,657,332.94
应收帐款	上海永久自行车制造有限公司	15,526,419.55	15,568,905.81
应收帐款	上海永久贸易有限公司	1,962,606.68	1,962,606.68
应收帐款	上海永车实业总公司	16,007.16	16,007.16
应收帐款	上海永久助力车九江有限公司	14,800.00	14,800.00
其他应收款	上海自行车厂	1,405,518.00	1,357,980.87
其他应收款	上海永胜自行车有限公司	1,127,825.43	1,127,825.43
预付帐款	上海永久自行车制造有限公司	0	244,742.00
应付帐款	上海自行车厂	4,777,523.49	2,358,057.20
应付帐款	上海永久自行车制造有限公司	21,455,301.22	18,308,084.72
其他应付款	上海中路(集团)有限公司	3,535.37	1,200.00
预收帐款	上海永车实业总公司	40,300.00	40,300.00

(九) 或有事项

1、已贴现的商业承兑汇票形成的或有负债及其财务影响：

无

2、未决诉讼仲裁形成的或有负债及其财务影响：

2003 年 3 月，美国宾士域保龄球&桌球公司与中路实业公司就双方之间签订的《供应和全球分销合同》向香港国际仲裁中心提请仲裁，并分别向对方公司提出违约索赔、侵权索赔的权利。截至报告日止，香港国际仲裁中心正在对上述案件进行审理，尚未终结。

3、为其他单位提供债务担保形成的或有负债及其财务影响：

无

4、其他或有负债及其财务影响：

无

(十) 承诺事项

(一) 尚未完全履行的有关财务支出

根据上海市南汇区发展计划委员会南计产[2003]618 号文批复，同意建造 160,000 平方米建筑面积的中央工厂。中央工厂一期工程的土建投资估算人民币 2,840 万元、设备投资估算人民币 2,395 万元，共计需投资人民币 5,235 万元。截至本期末已支付中央工厂建设资金人民币 2,953 万元。

(二) 其他重大财务承诺事项：

1、本公司以所拥有的座落在上海市真大路 560 号的房地产，固定资产房屋账面原值人民币

12,752,029.68 元、无形资产土地账面原值人民币 1,960,000.00 元，向中国农业银行上海市南汇支行抵押借款人民币 1,200 万元，期限为 2004 年 11 月 19 日至 2005 年 11 月 18 日。

2、本公司下属子公司上海中路实业有限公司以其拥有的座落在上海市浦东新区浦东南路 528 号的上海证券大厦 13 楼房地产，固定资产房屋账面原值人民币 30,754,082.96 元，向建设银行上海市分行杨浦支行抵押借款人民币 1,300 万元，期限为 2005 年 2 月 6 日至 2006 年 1 月 19 日。

3、本公司下属子公司上海中路实业有限公司以其拥有的座落在上海市宣桥镇南六公路 888 号的房产，固定资产房屋账面原值人民币 17,256,278.06 元、无形资产土地账面原值人民币 16,663,589.40 元，向中国民生银行上海分行抵押借款人民币 2,500 万元，期限为 2005 年 5 月 17 日至 2006 年 5 月 11 日。

(十一) 资产负债表日后事项

无

(十二) 其他重要事项

无

## 八、备查文件目录

1. 载有公司董事长亲笔签名的半年度报告文本
2. 载有公司法定代表人、会计负责人、会计机构负责人签名并盖章的财务报告文本
3. 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
4. 公司章程文本
5. 有关资料

上海永久股份有限公司

董事长：顾觉新

二〇〇五年八月十八日

**Shanghai Forever Co., Ltd.**  
**600818**

**2005 Interim Report**

**August 18, 2005**

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## 1. Important Notice

- 1) The Board of Directors of the Company and all its members ensure that the information contained in this Report does not have any false statement, serious misrepresentation or significant omission and will take the joint and several responsibilities for the truth, accuracy and completeness of the contents of the Report.
- 2) Duan Qihua, Independent Director of the Company, failed to attend the 17th meeting of the 4th Board of Directors, which examined and passed this report, because of business.
- 3) The Company's interim financial report has not been audited.
- 4) Gu Juexin the superintendent of the Company, Sun Yunfang the superintendent of accounting work and Huo Enyu the superintendent of accounting department declare to ensure the truth and completeness of the financial report in this semiannual report.

## 2. Brief Introduction to the Company

### 1) Basic information of the Company

- (1) Legal Chinese name of the Company: 上海永久股份有限公司  
 Legal English name: Shanghai Forever Co.,Ltd  
 Abbreviation of legal English name: SFC
- (2) Stock exchange for listing of the Company's A share: Shanghai Stock Exchange  
 Abbreviation for A share: Shanghai Forever  
 Stock code for A share: 600818  
 Stock exchange for listing of the Company's B share: Shanghai Stock Exchange  
 Abbreviation for B share: Forever B share  
 Stock code for B share: 900915
- (3) The Company's registered address: Room 273 No.17 Kangshi Road, Cambridge Town, Nanhui District, Shanghai  
 Business address of the Company: 209 Liaoyuanxi Rd., Shanghai  
 Zip code: 200092  
 Internet website address: www.cnforever.com  
 E-mail address: cnforever@cnforever.com
- (4) Legal representative of the Company: Gu Juexin
- (5) Secretary of the Board of Directors: Mr. Yuan Zhijian  
 Tel.: 021-65136974  
 Fax: 021-65139966  
 E-mail : yzj818@sina.com  
 Contact add.: 209 Liaoyuanxi Rd., Shanghai  
 Securities representative: Ms. Gu Lurong  
 Tel.: 021-65135295  
 Fax: 021-65139966  
 E-mail : cnforever@cnforever.com  
 Contact add.: 209 Liaoyuanxi Rd., Shanghai
- (6) Name of newspaper for information disclosure: Shanghai Securities News, Hong Kong Commercial Daily  
 Internet website address appointed by China Securities Regulatory Committee to publish the Company's annual report: www.sse.com.cn  
 Place for storing annual report : Board secretary's office

### 2) Financial highlights

#### (1) Main accounting data and financial index

Unit: RMB Currency: Renminbi

Main accounting data	End of this report period	End of last year		Increase or decrease (%)
		After adjustment	Before adjustment	
Current assets	408,478,580.08	459,196,940.63	459,196,940.63	-11.05
Current liabilities	381,947,946.00	445,388,897.16	445,388,897.16	-14.24
Total assets	663,681,321.22	707,705,706.82	707,705,706.82	-6.22
Shareholders' equity (minority equity)	252,597,939.90	232,678,644.47	232,678,644.47	8.55



excluded)				
Net assets per share	0.95	0.88	0.88	7.95
Net assets per share after adjustment	0.93	0.85	0.85	9.41
	Report period (January to June)	Same period of last year		Increase or decrease (%)
		After adjustment	Before adjustment	
Net profit	20,195,306.94	22,430,369.45	22,430,369.45	-9.94
Net profit after deduction of non recurrent profit and loss	18,755,713.26	15,313,439.43	15,313,439.43	22.48
Earnings per share	0.076	0.084	0.084	-9.52
Earning rate of net assets (%)	8.00	12.63	12.63	A decrease of 4.63%
Net cash flow from business operation	-52,843,852.42	6,336,094.14	6,336,094.14	934.01

(2) Item and amount of non-recurrent profit and loss for deduction

Unit: RMB Currency: Renminbi

Items of non recurrent profit and loss	Amount
Profit and loss produced from disposal of the Company's assets other than its products	96,661.69
Various kinds of government subsidy	612,401.80
Other non-operating revenues and expenditures after deduction of provisions for depreciation of assets	-181,690.34
Return of the various provisions for deprecitation appropriated during previous years	925,502.28
Impact of income tax	13,281.75
Total	1,439,593.68

(3) Difference of domestic and overseas accounting standards

Unit: RMB Currency: Renminbi

Item	Net profit		Shareholders' equity	
	Current period	Last period	Beginning balance	Closing balance
As per Chinese accounting system	20,195,306.94	22,430,369.45	232,678,644.47	252,597,939.90
As per international accounting standard	21,515,306.94	23,750,369.45	211,844,000.00	254,827,573.65

(4) Earning rate of net assets and earnings per share calculated as per the requirements of "Editing Rule of Information Disclosure of Publicly Listed Companies (No. 9)"

Unit: RMB Currency: Renminbi

Profit in the report period	Earning rate of net assets (%)		Earnings per share	
	Fully diluted	Weighted average	Fully diluted	Weighted average
Main operation profit	31.40	32.69	0.299	0.299
Business profit	7.21	7.51	0.069	0.069
Net profit	8.00	8.32	0.076	0.076
Net profit after deduction of non recurrent profit and loss	7.43	7.73	0.071	0.071

### 3. Change of Share Capital and Particulars of Shareholders

1) Change of share capital

Unit: Share

	Beginning balance	Increase or decrease (+, -)					Subtotal	Closing balance
		Rationed shares	Bonus share	Transferred from capital reserves	Newly issued shares	Other		
1. Untradable share								
1) Promoter's share								
Including:								
State-owned share	26,569,430						26,569,430	
Shares held by domestic legal person	143,640,000						143,640,000	
Shares held by overseas legal person								
Other								
2) Raised legal person share	11,500,000						11,500,000	
3) Internal staff share								
4) Preferred share or other								
Subtotal of untradable share	181,709,430						181,709,430	
2. Tradable share								
1) Renminbi ordinary share	14,950,000						14,950,000	
2) Domestically listed foreign capital share	69,000,000						69,000,000	

3) Overseas listed foreign capital share							
4) Other							
Subtotal of tradable share	83,950,000						83,950,000
3. Total of the share	265,659,430						265,659,430

During the report period there was no change of total number and structure of the Company's shares because of bonus share, rationed shares and other reason.

2) Particulars of shareholders

(1) The total number of shareholders at the end of the report period is 13173 (including 6334 holders of A share and 6839 holders of B share).

(2) Particulars of top 10 shareholders

Unit: Share

Name of shareholder (in full)	Increase or decrease in the report period	Number of shares held at the end of the report period	Ratio (%)	Kind of share (tradable or untradable)	Pledged or frozen	Nature of shareholder (state-owned shareholder or foreign capital shareholder)
Shanghai Zhonglu (Group) Co., Ltd.	0	143,640,000	54.07	Untradable	None	Legal person shareholder
Shanghai State-owned Assets Management Office (entrust Shanghai Light Industry Holding Group Company)	0	26,569,430	10	Untradable	None	State-owned shareholder
Shanghai Industrial Sewing Machine Co., Ltd.	0	4,450,500	1.68	Untradable	None	Legal person shareholder
MERRILL LYNCH FAR EAST LTD.	113,600	4,036,383	1.52	Tradable	Unknown	Foreign capital shareholder
BIN LIANG	0	2,803,787	1.06	Tradable	Unknown	Foreign capital shareholder
Chen Jie	833,822	2,504,914	0.94	Tradable	Unknown	Foreign capital shareholder
Chen Ping	0	1,401,248	0.53	Tradable	Unknown	Foreign capital shareholder
Chen Eryu	-20,000	1,294,500	0.49	Tradable	Unknown	Foreign capital shareholder
DRAGON BILLION CHINA FUND	1,000,000	1,000,000	0.38	Tradable	Unknown	Foreign capital shareholder
Shen Aijuan	0	644,400	0.24	Tradable	Unknown	Foreign capital shareholder

Statement on associative relation or concerted actions between the top ten shareholders:

Shanghai Light Industry Holding (Group) Company (hereinafter referred to as Shanghai Light Industry) is the authorized state-owned share supervisor of Shanghai Industrial Sewing Machine Co., Ltd., the third biggest shareholder of the Company. Except for it, it is unknown to the Company whether there are any associative relations or concerted actions specified in Management Method for Information Disclosure for Change of Shares Held by the Shareholders of Listed Companies among the above shareholders.

A. Notes on the controlling shareholder

Company name: Shanghai Zhonglu (Group) Co., Ltd.

Legal representative: Chen Rong

Registered capital: RMB 300,000,000

Establishment date: December 3, 1998

Main business or management activities: Development on high-tech project, information and biotechnology, domestic trade (except specially stipulated), investment management, development of real estate and realty management, cultural diffusion, planting, fish breeding and poultry breeding, and processing of subsidiary agricultural products (for above business scope, some business need to be run based on license).

B. Particulars of the actual controller

Name of natural person: Chen Rong

Nationality: China

If get right of residence in other country or area: None

Job title in recent 5 years: Chairman and general manager of Shanghai Zhonglu Industrial Co., Ltd. (hereinafter referred to as "Zhonglu Industry"). Now he is the Chairman of the Zhonglu Group, routine member of the Shanghai Political Consultation Committee, representative of Nanhui District People's Congress, Vice Chairman of the Shanghai Association of Industry and Commerce, Vice Chairman of the Shanghai Private Enterprise Association, and the Vice Chairman of the China Bowling Association.

Mr. Chen Rong directly holds 76.14% of the total share capital of Zhonglu Group, if including indirectly controlled shares, totally holding 96.48% of the total share capital of Zhonglu Group; so he is the actual controller of Zhonglu Group.

C. Change of controlling shareholder and actual controller

During the report period the Company's controlling shareholder and actual controller were not changed.

(3) Particulars of top 10 holders of tradable shares

Name of shareholder	Number of tradable shares held at the end of the report period	Kind (A, B, H share or other)
MERRILL LYNCH FAR EAST LTD	4,036,383	B share
BIN LIANG	2,803,787	B share
Chen Jie	2,504,914	B share
Chen Ping	1,401,248	B share
Chen Eryu	1,294,500	B share
DRAGON BILLION CHINA FUND	1,000,000	B share
Shen Aijuan	644,400	B share
WAN PING	573,400	B share
Fang Yijun	530,000	B share
Wang Aijuan	361,220	B 股

Statement on associative relations among the top 10 stockholders of tradable share

It is unknown to the Company whether there are any associative relations or concerted actions among the top 10 stockholders of tradable share.

Statement on the associative relations between top 10 holders of tradable share and top 10 shareholders:

The Company does not know if the top ten holders tradable shares and the top ten shareholders have associative relations between them.

(4) Change of controlling shareholder and actual controller

During the report period the Company's controlling shareholder and actual controller were not changed.

## 4. Directors, Supervisors and Senior Executives

1) Changes in shareholding of Directors, Supervisors and senior executives

There was no change in shareholding of Directors, Supervisors and senior executives of the Company during the report period.

During the report period there was no engagement or dismissal of Directors, Supervisors and senior executives

During the report period there was no engagement or dismissal of Directors, Supervisors and senior Directors

## 5. Discussion & Analysis of the Management

1) Discussion and analysis on the overall operation status during the report period

During the report period, the Company's business developed continuously and steadily; the earning power of main business kept to a relatively high level. The Company's central factory is under construction according to the plan; LPG Gas Moped has successfully entered the British market and sales of electrical bicycle has grown largely.

During the report period, the Company realized main business income of RMB 508,690,000, an increase of 13% than the same period of last year, main business profit of RMB 79,300,000, an increase of 8% than the same period of last year, net profit of RMB 20,190,000 or RMB 18,750,000 after deduction of non-current profit and loss, an increase of 22% than the same period of last year.

2) The Company's operation status during the report period

(1) The Company's main business scope and the operation status

A. Introduction to the Company's main business and operation status

The Company's main business scope: Bicycles and parts, mopeds, products related to special vehicles and bicycles, bowling equipment, chess and cards equipment, polyurethane material, manual wheelchair, electric wheelchair, technical consultation, investment to enterprise, sales of self-produced product.

B. Industries or products accounting for 10% or above of the main business income or main business profit during the report period

Unit: RMB Currency: Renminbi

	Main operation income	Main business cost	Gross profit rate (%)	Increase or decrease (%) of main business income than the same period of last year	Increase or decrease (%) of main business cost than the same period of last year	Increase or decrease (%) of gross profit rate than the same period of last year
Industry						
Industry	185,006,231.21	135,539,848.60	26.74	-2.34	-7.09	16.29
Commerce	332,845,380.78	303,261,036.92	8.89	12.85	13.68	-7.00
Construction enterprise	653,877.00	110,036.84	83.17	-68.38	-4.65	-11.91
Subtotal	518,505,488.99	438,910,922.36	15.35	6.59	6.34	1.32
Offset internally	9,809,564.71	9,809,564.71	0.00	-74.05	-74.05	0.00
Total	508,695,924.28	429,101,357.65	15.65	13.38	14.44	-4.75
Product						
Bicycle	466,872,441.33	405,945,038.69	13.05	26.97	27.70	13.55
Including: bicycle	221,943,174.75	205,367,510.79	7.47	6.11	7.24	8.44
Gas moped	125,697,064.99	93,185,202.86	25.87	39.40	42.23	27.34
Electrical bicycle	119,232,201.59	107,392,325.04	9.93	74.37	76.42	10.97
Health care	50,979,170.66	32,855,846.83	35.55	-56.31	-65.32	18.79
Construction enterprise	653,877.00	110,036.84	83.17	-68.38	-4.65	94.42
Subtotal	518,505,488.99	438,910,922.36	15.35	6.59	6.34	15.15
Offset internally	9,809,564.71	9,809,564.71	0.00	-74.05	-74.05	0.00
Total	508,695,924.28	429,101,357.65	15.65	13.38	14.44	16.43

C. Main business according to region

Unit: RMB Currency: Renminbi

Region	Main business income	Increase or decrease (%) of main business income than the same period of last year
Domestic	431,508,204.11	3.02
Overseas	86,997,284.88	28.73
Subtotal	518,505,488.99	6.59
Offset internally	9,809,564.71	-74.05
Total	508,695,924.28	13.38

D. Including: During the report period the total amount of the associative transactions for the listed company selling products and rendering service to its controlling shareholder and subsidiaries was zero.

E. Operation status and performance of main controlled company

Unit: RMB Currency: Renminbi

Name of company	Business nature	Main products or service	Registered capital	Assets scale	Net profit
Shanghai Forever Co., Ltd. Suzhou Branch	Manufacture	Produce and sell bicycles	23,000,000.00	19,176,855.49	-1,811,619.76
Shanghai Zhonglu Industry Co., Ltd.	Manufacture	Development, production and sales of bowling equipment and related products	12,580,000.00	372,723,581.27	3,274,498.15
Shanghai Zhonglu Forever Bicycle Distribution Co., Ltd.	Sale	Sales of Bicycle, baby carrier, moped, motorcycle and spare parts, ironware and electric appliances.	1,000,000.00	7,044,035.17	283,319.76

3) The Company's investments

(1) Utilization of raised capital

During the report period the Company did not raise any capital or had raised capital left over from previous period used in this period.

(2) Projects with non-raised capital

The Company has invested nearly RMB 100,000,000 in the land purchase and infrastructure construction of its central factory. At present the factory houses has been fundamentally completed and are going to enter equipment debug and installation phase.

4) Analysis of the Company's financial status and business results

(1) Completion of operation plan

The Company had planned to realize business income of RMB 1,250,000,000 for this year and actually realized RMB 508,690,000 during the report period with cost and other expenses of RMB 492,600,000.

**6. Major Events**

1) Management status of the Company

Strictly observing the requirements of the Company Law, Securities Law, Listing Rules for Shares in Shanghai Stock Exchange, Articles of Association and other related laws and statutes, the Company constantly improves the legal person management structure, sets up modern enterprise system, normalizes the Company's operation and strengthens the Company's information disclosure. In consideration of the requirements of the Management Principle of Listed Companies unitedly issued by the China Securities Regulatory Committee and the State Economic & Trade Commission and the current status of the Company, the Company amended Rules of Procedure for Shareholders' Meetings, Rules of Procedure for Meetings of the Board of Directors, Rules of Procedure of the Supervisory Committee, Job Description of the General Manager, Management Method of Information Disclosure (Job Description of the Board Secretary), Job Description of Independent Director, Financial Accounting Management and Internal Control System and Management System for Investor's Relation and other management regulations of the Company. The Company has established Independent Director system and information disclosure system. The Company will continuously make improvements on the following aspects: continue to keep independence from its controlling shareholder after reorganization; set up professional commissions under the Board of Directors based on actual conditions; set up cumulative voting system for election of Directors; sign contract for engagement with Directors; sign contract for engagement with its managers to strengthen the performance appraisal to them; set up a mechanism of rewarding and encouraging in the Company; sign relevant agreements on associative transactions.

2) Implementation of profit distribution plan during the report period

During the report period the Company did not have any plan for profit distribution, plan for public reserves transferring to share capital and performance for such plans.

3) The Company did not distribute profit or transfer public reserves to share capital during the report period

4) Significant lawsuits and arbitrations

(1) Description on significant lawsuits and arbitrations

During the report period the American Brubswick Bowling & Table Tennis Company submitted application to Hong Kong International Arbitration Center for arbitration to request the Company's subsidiary Zhonglu Industry to repay US\$ 100,000, while the Zhonglu Industry submitted counterclaim to Hong Kong International Arbitration Center for requesting the plaintiff to assume multiple responsibilities of economic compensation. The hearing of the case was formally held in Hong Kong in March, May, June and August of 2005.

5) Purchase and sale of assets and consolidation by merger of the Company during the report period

During the report period the Company did not have any purchase or sales of assets or consolidation by merger.

6) Significant associative transactions during the report period

(1) Significant associative transactions for purchasing goods and accepting services

Associative party	Associative transactions content	Pricing principle of associative transaction	Associative transactions price	Amount of associative transaction	Ration in same transaction (%)	Clearing form	Market price	Impact on the Company's profit
Shanghai Bicycle Factory	Purchase of goods	Negotiate the price with reference to market price		649	6.1	Monetary capital		None
Shanghai Forever Bicycle Manufacturing Co., Ltd.	Purchase of goods	Negotiate the price with reference to market price		6,570	20	Monetary capital		None

7) Important contracts and their implementation

(1) Trusteeship

In this report period the Company had no trusteeship.

(2) Contracting

In this report period the Company had no contracting.

(3) Lease and renting

In this report period the Company had no item of lease or renting.

(4) Guarantees

In this report period the Company made no guarantee.

(5) Commissioned finance administration

In this report period the Company had no commissioned financing.

(6) Other important contracts

In this report period the Company did not have any other important contract.

8) Implementation of publicly disclosed commitments by the Company or shareholders holding 5% or above of the total shares

During the report period the Company or its shareholders holding 5% or higher did not have any promised matters or any promised matters left over from previous period.

9) Engaging and dismissing of public accounting firm

During the report period the Company did not change its public accounting firm. Originally the Company engaged Shanghai Lixin Changjiang Certified Public Accountants Co., Ltd. as its domestic audit agency, now still engage it as the Company's audit agency.

The Company did not change its previous engagement of Horwath International Certified Public Accountants as its overseas audit agency.

10) Penalty or rectification of the Company, the Company's Board of Directors and the Directors

During the report period the Company, the Company's Board of Directors and the Directors all had not been checked, punished and publicly reprimanded by the China Securities Regulatory Committee and not publicly condemned by the stock exchange.

11) Other significant events

During the report period the Company did not have other significant events

12) Index of information disclosure

Event	Name and page number of the newspaper publishing the information	Publishing date	Internet website address for publishing and its searching path
Provisional resolution of the 12th meeting of the 4th Board of Directors	Page C3 of Shanghai Securities News	01/19/2005	www.sse.com.cn
Lawsuit on guarantee has been settled	Page B3 of Hong Kong Commercial Daily		
Abstract of 2004 Annual Report	Page C2 and Page C3 of Shanghai Securities News Page B2 and Page B5 of Hong Kong Commercial Daily	03/08/2005	www.sse.com.cn
Resolution of the 13th meeting of the Company's 4th Board of Directors			
Resolution of the 4th meeting of the 4th Supervisory Committee			
Submission of application of cancelling other special treatments			
Additional remarks on 2004 Annual Report	Page C23 of Shanghai Securities News	03/18/2005	www.sse.com.cn
Cancelling other special treatments of the Company's share	Page A6 of Hong Kong Commercial Daily		
2005 first quarterly report	Page 75 of Shanghai Securities	04/23/2005	www.sse.com.cn

Resolution of the 14th meeting of the Company's 4th Board of Directors	News Page B7 of Hong Kong Commercial Daily		
Notice on the 17th general meeting of shareholders (2004 annual meeting)			
Progress of land purchase			
Resolution of the 17th general meeting of shareholders (2004 annual meeting)	Page C15 of Shanghai Securities News Page B2 of Hong Kong Commercial Daily	05/24/2005	www.sse.com.cn
Provisional resolution of the 15th meeting of the 4th Board of Directors	Page C6 of Shanghai Securities News Page A4 of Hong Kong Commercial Daily	06/07/2005	www.sse.com.cn
Provisional resolution of the 16th meeting of the 4th Board of Directors	Page C2 of Shanghai Securities News Page A11 of Hong Kong Commercial Daily	06/23/2005	www.sse.com.cn

## 7. Financial Report (unaudited)

### 1) Audit report

Audit report

### 2) Accounting statements

Balance Sheet  
June 30, 2005

Compiled by:

Unit: RMB Currency: Renminbi

Item	Notes		Consolidated		Parent company	
	Consolidated	Parent company	Closing balance	Beginning balance	Closing balance	Beginning balance
<b>Current assets:</b>						
Monetary capital	6.1		77,314,742.64	159,336,409.49	6,607,377.28	68,310,360.56
Short-term investment	6.2		110,760.00	133,960.00		
Notes receivable	6.3		11,942,620.50	22,943,274.00	179,073.50	
Dividend receivable						
Interest receivable						
Accounts receivable	6.6	7.1	90,398,503.36	91,132,468.09	28,564,096.24	30,585,573.71
Other receivables	6.7	7.2	36,923,298.49	8,004,444.45	40,893,243.33	4,302,857.05
Accounts paid in advance	6.8		53,592,195.03	47,856,630.91	11,142,684.46	7,791,007.72
Subsidy receivable	6.9		3,964,171.99	1,817,454.50		
Inventory	6.10		134,054,435.42	127,917,002.19	21,207,558.43	19,700,504.03
Expensed to be amortized	6.11		177,852.65	55,297.00		
Long-term claims investment due in one year						
Other current assets						
Total of current assets			408,478,580.08	459,196,940.63	108,594,033.24	130,690,303.07
<b>Long-term investment:</b>						
Long-term equity investment	6.14	7.3	35,410,367.30	42,230,363.74	227,029,021.43	226,684,307.80
Long-term claims investment						
Total of long-term investment			35,410,367.30	42,230,363.74	227,029,021.43	226,684,307.80
Incl.: variance in price consolidated			15,616,652.30	16,686,183.98		
Incl.: Equity investment difference			15,616,652.30	16,686,183.98		
<b>Fixed assets:</b>						
Original price of fixed assets	6.15		200,630,999.09	202,343,252.63	56,295,717.04	59,278,520.63
Less: accumulated depreciation	6.15		91,904,161.22	89,597,522.74	37,169,112.68	38,358,150.70
Net value of fixed assets			108,726,837.87	112,745,729.89	19,126,604.36	20,920,369.93
Less: Provision for depreciation of fixed assets:	6.15		19,708,116.51	19,708,116.51	13,150,360.83	13,150,360.83

Net value of fixed assets			89,018,721.36	93,037,613.38	5,976,243.53	7,770,009.10
Engineering materials and goods						
Project in construction	6.16		104,068,029.75	86,360,637.75	101,860,721.24	84,151,599.94
Clearing of fixed assets	6.18		1,071,707.33		1,061,707.33	
Total fixed assets			194,158,458.44	179,398,251.13	108,898,672.10	91,921,609.04
<b>Intangible assets and other assets:</b>						
Intangible assets	6.19		18,633,915.40	18,880,151.32	3,899,719.36	3,950,462.68
Long-term expensed to be amortized	6.20		7,000,000.00	8,000,000.00	7,000,000.00	8,000,000.00
Other long-term assets						
Total of intangible assets and other assets			25,633,915.40	26,880,151.32	10,899,719.36	11,950,462.68
<b>Deferred tax:</b>						
Debit item of deferred taxes						
Total value of assets			663,786,549.99	707,705,706.82	455,421,446.13	461,246,682.59
<b>Current liabilities:</b>						
Short-term loan	6.23		163,753,203.00	177,352,528.00	52,000,000.00	32,000,000.00
Notes payable	6.24		750,000.00			26,682,196.84
Accounts payable	6.25		120,668,038.99	144,614,261.72	49,347,506.94	65,571,541.71
Accounts received in advance	6.26		22,276,196.29	31,744,041.28	7,586,879.35	3,863,693.91
Salaries payable	6.27		6,650,490.94	7,588,880.12		
Welfare expenses payable	6.28		3,276,152.30	2,998,425.99		
Dividends payable	6.29		87,402.00	87,402.00	87,402.00	87,402.00
Taxes payable to the government	6.30		18,900,919.89	24,690,267.55	17,590,800.37	21,969,253.32
Other payables to the government	6.31		2,698,311.61	2,744,005.32	2,608,893.87	2,613,186.86
Other payables	6.32		41,006,171.19	47,293,215.73	39,762,074.86	40,713,288.58
Expenses appropriated in advance	6.33		1,081,059.79	5,475,869.45	999,679.86	4,939,150.00
Estimated liabilities						
Long-term liabilities due in one year	6.35		800,000.00	800,000.00	800,000.00	800,000.00
Other current liabilities						
流动负债合计			381,143,541.02	445,388,897.16	170,783,237.25	199,239,713.22
<b>Long-term liabilities:</b>						
Long-term loans						
Bonds payable						
Long-term accounts payable						
Special accounts payable						
Other long-term liabilities						
Total of long-term liability						
<b>Deferred taxes:</b>						
Credit item of deferral taxes						
Total of liabilities			381,143,541.02	445,388,897.16	170,783,237.25	199,239,713.22
Minority equity			29,135,435.32	29,638,165.19		
<b>Owner's equity (or shareholders' equity)</b>						
Actual capital received (or share capital)	6.44		265,659,430.00	265,659,430.00	265,659,430.00	265,659,430.00
Less: investment already returned						
Net amount of actual capital received (or share capital)			265,659,430.00	265,659,430.00	265,659,430.00	265,659,430.00
Capital reserves	6.45		30,152,700.00	30,152,700.00	30,152,700.00	30,152,700.00
Surplus reserves	6.46		10,473,798.62	10,473,798.62	495,896.02	495,896.02
Incl.: Statutory public welfare fund			4,267,773.13	4,267,773.13	495,896.02	495,896.02
Undistributed profit	6.47		-13,158,699.77	-33,354,006.71	-11,669,817.14	-34,301,056.65
Planned distribution of cash dividend						
Difference from conversion of foreign currency statements						
Less: unconfirmed loss from investment			40,529,288.95	40,253,277.44		
Total of owner's equity (or shareholders' equity)			253,507,573.65	232,678,644.47	284,638,208.88	262,006,969.37
Total of liabilities and owner's equity (or shareholders' equity)			663,681,321.22	707,705,706.82	455,421,446.13	461,246,682.59

The Company's legal representative: Gu Juexin Principal in charge of accounting work: Sun Yunfang Head of accounting department: Huo Enyu



Statement of profit and profit distribution  
2005

Compiled by: Unit: RMB Currency: Renminbi

Item	Notes		Consolidated		Parent company	
	Consolidated	Parent company	Current period	Last period	Current period	Last period
1. Main business income	6.50	7.4	508,695,924.28	448,645,318.66	125,748,217.11	90,172,927.23
Less: Main business cost	6.50	7.4	429,101,357.65	374,946,982.85	93,188,310.55	65,515,594.60
Tax and surtax of main business	6.51		288,086.47	427,337.44		
2. Main business profit ("-" for loss)			79,306,480.16	73,270,998.37	32,559,906.56	24,657,332.63
Plus: Other business profit ("-" for loss)	6.52		2,424,301.68	466,534.82	16,897,444.43	13,188,175.94
Less: operation expenses			29,481,890.12	25,324,811.71	5,846,082.25	1,717,099.18
Management expenses			29,558,312.65	29,131,311.38	20,159,626.11	15,006,234.02
Financial expenses	6.53		4,477,996.31	3,935,093.84	1,151,360.55	629,093.85
3. Business profit ("-" for loss)			18,212,582.76	15,346,316.26	22,300,282.08	20,493,081.52
Plus: earnings from investment ("-" for loss)	6.54	7.5	812,032.33	5,280,995.66	344,713.63	-941,055.36
Subsidy income	6.55		654,502.00	705,317.61		
Non-operating revenue	6.56		40,870.00	70,055.00	6,243.80	60,030.00
Less: non-operation expenditure	6.57		247,104.00	238,266.41	20,000.00	
4. Total profit ("-" for total loss)			19,472,883.09	21,164,418.12	22,631,239.51	19,612,056.16
Less: Income tax	6.58		56,317.53	490,231.05		
Less: profit and loss of minority shareholders			-502,729.87	-337,245.57		
Plus: unconfirmed loss from investment (filled in consolidated items)			276,011.51	1,418,936.81		
5. Net profit ("-" for loss)			20,195,306.94	22,430,369.45	22,631,239.51	19,612,056.16
Plus: undistributed profit at the beginning of the year			-33,354,006.71	-591,994,920.72	-34,301,056.65	-589,133,110.56
Other transferred in				508,932,746.64		508,932,746.64
6. Distributable profit			-13,158,699.77	-60,631,804.63	-11,669,817.14	-60,588,307.76
Less: Appropriated statutory surplus reserves						
Appropriated statutory public welfare fund						
Appropriated bonus and welfare fund of employees (filled in consolidated items)						
Appropriated reserve fund						
Appropriated enterprise development fund						
Profit returned to investment						
7. Distributable profit to shareholders			-13,158,699.77	-60,631,804.63	-11,669,817.14	-60,588,307.76
Less: preferred stock dividends payable						
Appropriated discretionary surplus reserves						
Ordinary share dividends payable						
Dividends of ordinary share transferred to share capital						
8. Undistributed profit ("-" for uncovered loss)			-13,158,699.77	-60,631,804.63	-11,669,817.14	-60,588,307.76
<b>Supplementary information:</b>						
1) Earnings from sale and disposal of departments or invested units						
2) Loss from natural disaster						
3) Increase (or decrease) of total profit from change in accounting policies						
4) Increase (or decrease) of total profit from change in accounting estimate						
5) Loss from debts reorganization						
6) Other						

The Company's legal representative: Gu Juexin Principal in charge of accounting work: Sun Yunfang Head of accounting department: Huo Enyu

## Cash Flow Statement 2005

Compiled by: Unit: RMB Currency: Renminbi

Item	Notes		Consolidated	Parent company
	Consolidated	Parent company		
<b>1. Cash flow from business operations:</b>				
Cash received from sale of commodities and rendering of service			631,079,395.28	166,755,891.88
Return from tax received			4,940,682.38	
Other cash received related to operating activities			62,414,896.03	64,698,664.39
Subtotal of cash inflow			698,434,973.69	231,454,556.27
Cash paid for purchase of commodities and accepting of service			587,006,567.34	160,300,554.23
Cash paid to or for employees			27,087,063.07	12,334,448.84
Cash paid for various taxes			13,217,207.80	8,473,751.03
Other cash paid related to operating activities			123,940,987.90	113,007,456.41
Subtotal of cash outflow			751,251,826.11	294,116,210.51
Net cash flow from business operation			-52,816,852.42	-62,661,654.24
<b>2. Cash flow from investments:</b>				
Cash received from disinvestments			7,450,000.00	
Incl.: Cash received from sale of subsidiaries				
Cash received from investment earnings acquired			100,000.00	
Cash retrieved from disposal of fixed assets, intangible assets and other long-term assets			361,176.25	361,176.25
Other cash received related to investments				
Subtotal of cash inflow			7,911,176.25	361,176.25
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets			18,989,210.12	18,145,879.79
Cash paid for investments				
Other cash paid related to investments				
Subtotal of cash outflow			18,989,210.12	18,145,879.79
Net cash flow from investments			-11,078,033.87	-17,784,703.54
<b>3. Cash flow from financing:</b>				
Cash received from absorption of investments				
Incl.: Cash received by subsidiaries from absorption of minority equity investments				
Cash received from loans			151,753,203.00	40,000,000.00
Other cash received related to financing				
Subtotal of cash inflow			151,753,203.00	40,000,000.00
Cash paid for settlement of debts			165,352,528.00	20,000,000.00
Cash paid for distribution of dividends, profit or redemption of interest			4,418,662.75	1,256,625.50
Incl.: Cash paid for dividends of minority shareholders				
Other cash paid related to financing				
Incl.: Cash paid to minority shareholders by subsidiaries' capital reduction according to the law				
Subtotal of cash outflow			169,771,190.75	21,256,625.50
Net cash flow from financing			-18,017,987.75	18,743,374.50
4. Impacts of changes in exchange rate on cash			-108,792.81	
5. Net increase of cash and cash equivalents			-82,021,666.85	-61,702,983.28
<b>Supplementary information</b>				
<b>1) Adjust net profit as cash flow of business operations:</b>				
Net profit			20,195,306.94	22,631,239.51
Plus: Profit and loss of minority shareholders ("-": for loss)			-502,729.87	
Less: Unconfirmed loss from investments			276,011.51	
Plus: Appropriated provision for depreciation of assets			932,833.75	347,027.84
Depreciation of fixed assets			4,219,588.49	700,911.99
Amortization of intangible assets			249,835.92	50,743.32
Amortization of long-term expenses to be amortized			1,000,000.00	1,000,000.00
Decrease of expenses to be amortized ("-": increase)			-122,555.65	
Increase of expenses appropriated in advance ("-": decrease)			-1,932,528.41	-326,811.35
Loss from disposal of fixed assets, intangible assets and other long-term assets ("-": earnings)				
Loss from discarding of fixed assets				
Financial expenses			4,527,455.56	1,256,625.50
Loss from investment ("-": earnings)			-835,232.33	-344,713.63
Credit items of deferred taxes ("-": debit item)				
Decrease of inventory ("-": increase)			-6,137,433.23	-1,507,054.40
Decrease of receivables in business operation ("-": increase)			-66,247,883.48	-36,576,962.53

Increase of payables in business operation ("-": decrease)			-7,887,498.60	-49,892,660.49
Other				
Net cash flow from business operation			-52,816,852.42	-62,661,654.24
<b>2) Investments and financing not concerning cash incomes and expenditures:</b>				
Capital transferred from debts				
Convertible bonds of the Company due in one year				
Fixed assets rented as financing				
<b>3) Net increase of cash and cash equivalents:</b>				
Closing balance of cash			77,314,742.64	6,607,377.28
Less: Beginning balance of cash			159,336,409.49	68,310,360.56
Plus: Closing balance of cash equivalents				
Less: Beginning balance of cash equivalents				
Net increase of cash and cash equivalents			-82,021,666.85	-61,702,983.28

The Company's legal representative: Gu Juexin Principal in charge of accounting work: Sun Yunfang Head of accounting department: Huo Enyu

### Consolidated assets depreciation statement 2005

Compiled by: Unit: RMB Currency: Renminbi

Item	Beginning balance	Increase in current period	Decrease in current period		Closing balance
			Amount transferred out for other causes	Total	
Total of provisions for bad debts	92,781,129.00	1,835,136.03	925,502.28	925,502.28	93,690,762.75
Incl.: Accounts receivable	43,351,438.86		925,502.28	925,502.28	42,425,936.58
Other receivables	49,429,690.14	1,835,136.03			51,264,826.17
Total of provisions for depreciation of short-term investments	285,679.26	23,200.00			308,879.26
Incl.: Stock investment	285,679.26	23,200.00			308,879.26
Bond investment					
Total of provisions for depreciation of inventory	5,252,752.90				5,252,752.90
Incl.: Commodity stocks	2,657,109.21				2,657,109.21
Raw materials	2,595,643.69				2,595,643.69
Total of provisions for depreciation of long-term investments	11,950,893.53				11,950,893.53
Incl.: Long-term equity investment	11,950,893.53				11,950,893.53
Long-term claims investment					
Total of provisions for depreciation of fixed assets	19,708,116.51				19,708,116.51
Incl.: Houses and buildings	497,753.37				497,753.37
Machinery equipment	19,210,363.14				19,210,363.14
Provisions for depreciation of intangible assets					
Incl.: Patent right					
Trademark ownership					
Provisions for depreciation of projects in construction					
Provisions for depreciation of entrusted loans					
Total of assets depreciation					

The Company's legal representative: Gu Juexin Principal in charge of accounting work: Sun Yunfang Head of accounting department: Huo Enyu

### Assets Depreciation Statement of Parent Company 2005

Compiled by: Unit: RMB Currency: Renminbi

Item	Beginning balance	Increase in current period	Decrease in current period		Closing balance
			Amount transferred out for other causes	Total	
Total of provisions for bad debts	71,399,691.36	2,193,552.20	1,846,524.36	1,846,524.36	71,746,719.20
Incl.: Accounts receivable	26,967,616.21		1,846,524.36	1,846,524.36	25,121,091.85
Other receivables	44,432,075.15	2,193,552.20			46,625,627.35
Total of provisions for depreciation of short-term investments					
Incl.: Stock investment					
Bond investment					
Total of provisions for depreciation of inventory					
Incl.: Commodity stocks					
Raw materials					
Total of provisions for depreciation of long-term investments	11,346,221.91				11,346,221.91

Incl.: Long-term equity investment	11,346,221.91			11,346,221.91
Long-term claims investment				
Total of provisions for depreciation of fixed assets	13,150,360.83			13,150,360.83
Incl.: Houses and buildings				
Machinery equipment	13,150,360.83			13,150,360.83
Provisions for depreciation of intangible assets				
Incl.: Patent right				
Trademark ownership				
Provisions for depreciation of projects in construction				
Provisions for depreciation of entrusted loans				
Total of assets depreciation				

The Company's legal presentative: Gu Juexin Principal in charge of accounting work: Sun Yunfang Head of accounting department: Huo Enyu

Statement of changes in shareholders' equity  
2005

Compiled by: Unit: RMB Currency: Renminbi

Item	Current period	Last period
<b>1. Capital actually received (or share capital)</b>		
Beginning balance	265,659,430.00	265,659,430.00
Increase in current period		
Incl.: Capital reserves transferred in		
Surplus reserves transferred in		
Profit distribution transferred in		
Newly added capital (capital share)		
Decrease in current period		
Closing balance	265,659,430.00	265,659,430.00
<b>2. Capital reserves</b>		
Beginning balance	30,152,700.00	460,501,360.33
Increase in current period		30,000,000.00
Incl.: Capital (or share capital) premium		
Provision for accepting donated non-cash assets		
Non-cash donation accepted		
Provision for equity investment		
Price difference of associative transactions		30,000,000.00
Appropriation transferred in		
Difference from capitalization of foreign currency		
Other capital reserves		
Decrease in current period		460,348,660.33
Incl.: Capital (or share capital) added by transfer		
Deficit coverage		460,348,660.33
Closing balance	30,152,700.00	30,152,700.00
<b>3. Statutory and discretionary surplus reserves</b>		
Beginning balance	6,206,025.49	54,155,247.51
Increase in current period		634,864.29
Incl.: Appropriation from net profit		
Statutory surplus reserves		634,864.29
Discretionary surplus reserves		
Reserve fund		
Enterprise development fund		
Statutory public welfare fund transferred in		
Decrease in current period		48,584,086.31
Incl.: deficit coverage		48,584,086.31
Incl.: Capital (or share capital) added by transfer		
Cash dividends or profit distributed		
Stock dividends distributed		
Closing balance	6,206,025.49	6,206,025.49
Incl.: Statutory surplus reserves	6,206,025.49	6,206,025.49
Reserve fund		
Enterprise development fund		
<b>4. Statutory public welfare fund</b>		
Beginning balance	4,267,773.13	3,899,977.09
Increase in current period		367,796.04
Incl.: Appropriation from net profit		367,796.04
Decrease in current period		
Incl.: other expenditure for collective welfare		
Closing balance	4,267,773.13	4,267,773.13
<b>5. Undistributed profit</b>		
Undistributed profit at the beginning of the period	-33,354,006.71	-591,994,920.72
Net profit of current period ("-" for net loss)	20,195,306.94	49,708,167.37

Other transferred in		508,932,746.64
Profit distributed in current period		
Undistributed profit at the end of the period ("-" for uncovered loss)	-13,158,699.77	-33,354,006.71

The Company's legal representative: Gu Juexin Principal in charge of accounting work: Sun Yunfang Head of accounting department: Huo Enyu

### Detailed Statement of Value Added Taxes Payable 2005

Compiled by: Unit: RMB Currency: Renminbi

Item	Amount
<b>1. Value added taxes payable</b>	
1) Amount undeducted at the beginning of the year (filled in with "-")	-277,221.97
2) Taxes of output items	75,269,404.97
Export rebates	5,211,975.17
Taxes of output items transferred out	4,755,979.24
Value added tax overpaid transferred out	
3) Taxes of input items	79,770,891.15
Taxes already paid	
Reduction or exemption of tax	
Taxes payable on products sold domestically offset by products exported	
Value added tax unpaid transferred out	6,148,583.12
4) Amount undeducted at the end of the period (filled in with "-")	-959,336.86
<b>2. Value added tax unpaid</b>	
1) Amount unpaid at the beginning of the year ("-" for amount overpaid)	22,595,954.86
2) Amount transferred in in current period ("-" for amount overpaid)	6,148,583.12
3) Amount already paid in current period	10,856,098.56
4) Amount unpaid at the end of the period ("-" for amount overpaid)	17,888,439.42

The Company's legal representative: Gu Juexin Principal in charge of accounting work: Sun Yunfang Head of accounting department: Huo Enyu

#### Company profile

Shanghai Forever Co., Ltd. originally was the Shanghai Bicycle Factory. In Oct. 1993 it was approved to be reorganized as a shareholding incorporated company (a Sino-foreign joint venture). On Nov. 15 in the same year it listed its foreign capital share (B share) in the Shanghai Stock Exchange, and on Jan. 28, 1994 it listed its Renminbi ordinary share (A share) in the Shanghai Stock Exchange. It belongs to an industrial enterprise. The Company's business scope concerns production and sales of bicycles and parts , mopeds (including gas mopeds) , products related to special vehicles and bicycles , bowling equipment , chess and cards equipment , polyurethane material , manual wheelchair , electric wheelchair , technical consultation , investment to enterprise , sales of self-produced product (concerning business license which allows business operation).

#### 3) Compiling methods of main accounting policies, accounting estimates and accounting statements of the Company

##### (1) Accounting standard and accounting system

The Company executes the Enterprise Accounting Standard, Enterprise Accounting System and their related supplementary provisions.

##### (2) Fiscal year

Fiscal year of the Company is counted from January 1 to December 31 in the Gregorian calendar.

##### (3) Standard currency for account keeping

The standard currency for account keeping of the Company is RMB.

##### (4) Compiling basis, account keeping basis and valuation principle

Apply accrual system as account keeping basis and historical cost as valuation principle.

##### (5) Accounting method of foreign currency operations

For the foreign currency operations use the Renminbi exchange price (middle price) declared by the People's Bank of China at beginning of the period as the exchange rate to enter in the account with Renminbi. The balance of the foreign currency account at end of the year shall be adjusted according to the market exchange price (middle price) then. The conversion difference of the special foreign currency loan account at end of the year, should be capitalized in the period before the purchased fixed assets reach the scheduled serviceable condition and attributed to the cost of construction in progress; the conversion difference of other foreign currency accounts should be attributed to the financial expenses.

The conversion difference from the exchange of different currency should all be attributed to the financial expenses.

(6) Conversion method of foreign currency accounting statements

According to the Caihuizi (1995) No. 11 File of Notice on Print and Distribution issued by Ministry of Finance, except for the owner' equity items (excluding items of undistributed profit) which shall be converted to Renminbi at the market exchange price (middle price) of the time when those items happen, assets, liabilities and profit and loss items shall be converted to Renminbi at the market exchange price (middle price) of the settlement day of consolidated accounting statements. Difference from conversion of foreign currency statements shall be listed alone in consolidated balance sheet.

(7) Confirmation standard of cash and cash equivalents

Any investment with four conditions, short fell iniod ( mature within three months since purchase date ) , strong liquidity, easy to be transferred to cash of given amount and small risk in disturbance of values while compiling the cash flow statement, can be confirmed as cash equivalents.

(8) Accounting method of short-term investments

A. Valuation method for procurement:

The short-term investment should be valued according to all the payment actually disbursed when being acquired (after the cash dividend which has been declared to be dispensed but not drawn yet or the bond interest matured but not drawn yet) and the related taxes. The short-term investment acquired from the debtor to offset the debt while in the reorganization of debts, should be valued in the account according to the book value of the claims receivable; the short term investment from the non-monetary transactions should be valued in the account according to the book value of the transferred out assets.

B. Appropriation of provision for depreciation of short-term investments:

At end of interim period and end of the year, the provisions for depreciation of short-term investment should be appropriated or adjusted according to the lower value between cost and closing price.

The provision for loss from depreciation should be calculated and ascertained according to individual investment.

C. Confirmation of earnings from short-term investments:

For short-term investment the income should be confirmed while it is disposed. The cash dividend and interest got during the period of holding it, should be used to offset the cost of investment or related receivables.

(9) Accounting method of loss from bad debts in accounts recoverable

Confirmation standard of bad debts: The receivable which is really unrecoverable after the legal discharge procedures because of cancellation and bankruptcy of the debtor; the receivable which is really unrecoverable because the debtor died and has neither heritage for discharge nor undertaker for obligation; the receivable is really unrecoverable because the debtor does not refund the debt after the time limit and there is clear evidence to prove this fact. All these kinds of receivable can be written off under the authorization of the Company.

Accounting method of bad debts: The Company adopts allowance method in bad debts accounting. It appropriates bad debts provisions for accounts receivable according to account age analysis method at the end of the period and estimates the collectibility of the balance according to its previous experience, actual financial status of the debtor's unit and other related information, and appropriates 100% provisions for the unrecoverable bad debts. Then reduce the balance of other receivables after the individual appropriation, and use the aging analysis method to appropriate provisions for bad debts. For the receivables involved with the units which should be in the range of the consolidated statements, appropriate 5% provisions for the bad debts.

Account age	Ratio of appropriation to accounts receivable (%)	Ratio of appropriation to other receivables (%)
Within 1 year (including 1 year)	5.00	5.00
1-2 years	10.00	10.00
2-3 years	30.00	30.00
Over 3 years	100.00	100.00

Account with allowance method, estimate the bad debt loss using aging analysis method and individual recognition method.

(10) Inventory accounting method

A. Classification of inventory

The inventories are classified as: material on passage, raw material, packing, low cost and short lived articles, commodity stocks, finished products, material for entrusted processing, Engineering construction, work in progress, developed products, etc.

B. Valuation method of procurement and sending out:

For daily accounting of production enterprises, make valuation according to actual cost while procuring it and make valuation according to planned cost method while sending it out; at end of a month, calculate the cost difference to be amortized according to the planned cost of various inventories and norm cost of the commodity stocks sent out.

The commercial enterprise makes valuation according to actual cost for procurement and according to method of weighted mean for sending out.

The inventories acquired from the debtor to offset the debt while in the reorganization of debts, should be valued in the account according to the book value of the claims receivable; the inventories from the non-monetary transactions should be valued in the account according to the book value of the transferred out assets.

C. Amortization method of low cost and short lived articles and packages:

For low cost and short lived articles adopt one-off amortization method.

For packings adopt one-off amortization method.

D. Inventory system for stocks:

Adopt perpetual inventory system.

E. Appropriation method of provision for depreciation of inventory:

At end of interim period and end of the year after making full census of the inventories, appropriate or adjust the provision for depreciation of inventories according to the lower between the cost of the inventories and the net realizable value.

The provision for depreciation of inventories should be appropriated respectively on individual inventory items.

(11) Accounting method of long-term investments

A. Valuation method for procurement:

The long-term investment should be valued according to its initial investment cost while being procured, including the related taxes and handling charge. The equity investment acquired from the debtor to offset the debt while in the reorganization of debts, should be valued in the account according to the book value of the claims receivable; the equity investment from the non-monetary transactions should be valued in the account according to the book value of the transferred out assets.

B. Accounting method of long-term equity investments:

For the investment with no control, no common control and no significant impacts on the invested units, use cost method to calculate; for the investment with control, common control or significant impacts on the invested units, use equity method to calculate.

When use equity method to calculate long-term equity investment and the initial investment cost is higher than the equity investment difference confirmed by the net assets shared in the invested unit, if the contract has specified the investment period make amortization averagely during the investment period, if not, make amortization averagely during 10 years. Difference of initial investment cost lower than the deserved share of net assets of the invested unit shall be counted into the capital reserves (provision for equity investment). Credit balance and difference in equity investment occurring before 2003 shall be amortized according to original regulations. Equity investment difference happening at a second investment shall be disposed according to the Caikuai [2004] No. 3 File.

C. Accounting method of long-term equity investments:

At end of interim period and end of the year, appropriated the interests according to the interest rate specified by the contract or the nominal rate of the bond, and amortize the premium or discount of bond investment with straight line method.

If the appropriated interest cannot be returned in due time, stop the appropriation of the interests and offset the original appropriated interests.

D. Appropriation of provisions for depreciation of long-term investments:

At end of interim period and end of the year according to the difference between the estimated recoverable amount and the book value of the long-term investment, appropriate the provision for depreciation of long-term investment. In appropriating provision for depreciation of long-term investments since 2004, dispose equity investment difference happening in previous years according to Caikuai (2004) No. 3 File.

The provision for depreciation of long-term investment should be calculated according to the investment projects individually.

(12) Methods of fixed assets valuation and depreciation and depreciation provision appropriation

A. Definition of fixed assets:

Refer to the tangible assets held for producing commodities, rendering service, leasing or making operating management, with one year or above of use life and with higher unit value.

B. Classification of fixed assets:

House & building, machinery equipment, transportation device, office equipment and other equipment, etc..

C. Valuation for procurement of fixed assets:

Make valuation according to actual cost.

The fixed assets acquired from the debtor to offset the debt while in the reorganization of debts, should be valued in the account according to the book value of the claims receivable; the fixed assets from the non-monetary transactions should be valued in the account according to the book value of the transferred out assets.

The fixed assets rented through financing, should be entered in the account with the lower value between the original book value at the day starting the assets renting and present value of lowest payment for renting. If the assets rented through financing accounts for 30% or lower of the total assets of the enterprise, use the lowest payment for renting to enter in the account.

D. For the depreciation of fixed assets use the composite life method to make appropriation according to classification. According to the classification of fixed assets, expected life of use and expected net residual value rate set the depreciation rate.

For repairing cost of fixed assets which conforms to the condition of capitalization, adopt composite life method to make appropriation for depreciation separately in the shorter period between the duration for two repairings and the remained use life of the fixed assets. For expenditures for improvement of fixed assets rented in the mode of operating lease, adopt composite life method to make appropriation for depreciation separately in the shorter period between the remained lease period and the period during which the rented assets still can be used.

For fixed assets rented in the mode of financial leasing, if it can be reasonably ascertained that the ownership of the leased assets can be acquired when the lease term expires, make appropriation for depreciation in the usable life of the leased assets; if not, make appropriation for depreciation in the short period between the lease term and the usable life of the leased assets. For the renovation expenses for fixed assets rented in the mode of financial leasing, which meets the condition of capitalization, the depreciation should be individually appropriated with composite life method during the shortest period among the period between two renovations, the remained leasing period and the serviceable life for fixed assets.

Classification	expected life	net residual value rate	yearly depreciation rate
House & building	8-45 years	4%	12%-2.13%
Machinery equipment	3-20 years	4%	32%-4.80%
Transportation device	5-12 years	4%	19.2%-8%
Office and other equipment	5-18 years	4%	19.2%-5.33%

E. Appropriation of provisions for depreciation of fixed assets:

At the end of the interim period and end of the year for the fixed assets with its recoverable amount lower than book value because of the continual dropping of the market price, technical obsolescence, entity damaging, long time unused and other reasons, appropriate the provisions for depreciation of fixed assets according to the difference between the recoverable amount and its book value.

Appropriate the provision for depreciation of fixed assets according to the individual assets.

(13) Accounting method of projects in construction

A. Valuation method for procurement:



Calculate the actual cost of the project according to the project classification. When the constructed project reaches the scheduled serviceable condition, transfer the project to fixed assets to make calculation. If the final account for completed project has not been made, transfer the project according to the estimated value and after finishing the final account for completed project make adjustment on it.

B. Appropriation of provision for depreciation of projects in construction:

At end of the interim period and end of the year for the construction which has stopped for long time and is estimated to be not restarted within three years, or which is of out-of-date performance and technique and shall bring severe uncertainty to the enterprise's economic benefit, appropriate the provision for depreciation of the construction in progress.

Appropriate the provision for depreciation of construction in progress according to the individual construction.

(14) Valuation and amortization methods of intangible assets

A. Valuation method for procurement:

Enter the actual cost in procurement in the account.

The intangible assets acquired from the debtor to offset the debt while in the reorganization of debts, should be valued in the account according to the book value of the claims receivable; the intangible assets from the non-monetary transactions should be valued in the account according to the book value of the assets transferred out.

B. Amortization method:

Adopt straight line method. If in the related contract and the law only one has specified the beneficial age limit or effective age limit, make amortization averagely in the period not exceeding the specified age limit; if both have specified the age limit, make amortization averagely according to the lower age limit; if both have not specified the age limit, make amortization averagely during the period less than 10 years.

C. Appropriation of provision for depreciation of intangible assets:

At the end of interim period and end of the year for the intangible assets with its market price greatly falling and profitability suffering from severe adverse impact and its falling price estimated not recoverable because of replacement by new technology, appropriate the provisions for depreciation of intangible assets according to the difference by which the recoverable amount lower than its book value.

Appropriate the provision for depreciation of intangible assets according to the individual assets.

(15) Amortization methods of initial expenses and long-term expenses to be amortized

A. Amortization method for initial cost: Listed into the profit and loss in the month while starting the production operation once.

B. Amortization method for other long-term expenses to be amortized:

Amortized in the beneficial period, in which:

The rent prepaid for the fixed assets rented in for operation, should be amortized averagely during the period specified in the lease agreement.

The social insurance prepaid to the social security bureau for the Company's employees for agreement of reserving labour relations until the retired date should be amortized averagely during 10 years.

(16) Accounting method of loan expenses

A. The confirmation principle for capitalization of loan expenses:

The auxiliary expenses for special loan should be capitalized before the purchased or constructed assets reaching serviceable condition, if with small amount, should be listed into the current profit and loss.

The amortization for the interest, premium and discount of special loan and the capitalization of exchange difference should meet the following three conditions at the same time: the expenditure for assets has occurred, the borrowing cost has occurred, and the purchase or construction activities for the assets reaching serviceable condition has started.

When the project for purchase and construction of assets has been abnormally interrupted continuously for three months or over, the capitalization of borrowing cost should be ceased temporarily. After the project for purchase and construction of assets reaches the serviceable condition, the capitalization of borrowing cost should be stopped.

When part of the project for purchase and construction of assets has been completed respectively and can be used individually, the capitalization for the borrowing cost for that part of assets should be stopped.

The borrowing cost for ordinary loan and the borrowing cost for the special loan not meeting the requirements of capitalization, should be all listed into the profit and loss of current period.

B. The period for capitalization of loan expenses:

Calculate the capitalized amount of the borrowing cost according to years.

C. Method for ascertaining the capitalized amount of the borrowing cost of special loan:

Capitalized amount for capitalization of interests in each accounting period = Weighted average number of accumulated outlay for purchased and constructed fixed assets until end of the year X Weighted average capitalization of interests rate of the loan

Let the capitalized auxiliary expenses and exchange difference capitalized directly according to actual amount.

(17) Confirmation principle of estimated liabilities

If the obligation related to the contingent matters meets the following conditions at the same time, the Company shall listed it as estimated liabilities:

- A. This obligation is the current obligation assumed by the enterprise;
- B. The performance of this obligation possibly causes economic interest flowing out from the enterprise;
- C. The amount of this obligation can be measured reliably.

(18) Confirmation principle of revenue

A. Commodity sales:

When the Company has transferred the important risks and rewards of the property right of the goods to the purchaser, the Company will no longer exercise continual management power and actual control power, the economic interest related to transactions can flow into the enterprise and the related revenue and cost can be measured reliably, the business income can be deemed as being realized.

B. Rendering of service:

If the service is started and finished in a same year, when the service has already been provided, the payment or the proof for receiving the goods has been procured, the revenue for the service can be deemed as being realized. If the service is started and finished in different accounting year and the result of the service provided can be estimated reliably, the related service income can be recognized according to completion percentage method at the date of balance sheet.

C. Acquisition of use right for assets: When the economic interest related to the transaction can flow into the enterprise and the received amount can be reliably measured, the income can be recognized according to the provisions in the contract or agreement.

(19) Accounting method of income tax

Adopt tax payable method.

(20) Confirmation principle of consolidated scope of consolidated accounting statements and compiling method of consolidated accounting statements:

A. The consolidated accounting statements should be prepared according to the Provisional Regulations on Consolidated Accounting Statements and related files and with the individual accounting statements of the parent company and the subsidiaries incorporated into consolidated range and other information as the basis. But the subsidiaries in special industry and with small scale, if meeting the requirements in the (1996) No. 2 File of the Ministry of Finance, the Reply on the requesting for the Range of Consolidated Accounting Statements, should not be consolidated. While making consolidation, make offsetting to the internal equity investments and the owner's equity in the subsidiary, internal income from investments and the allocation of profits in the subsidiary, internal transactions and internal claims and debts, and make adjustment to the consolidated surplus reserves. For the corporate joint ventures in the consolidated range, use the ratio consolidation method to prepare the consolidated accounting statements.

B. The accounting policies and accounting processes of the parent company and the subsidiaries have no significant difference.

(21) Major changes in accounting policies and estimate and correction of significant accounting errors

A. Changes in accounting policies

None

B. Changes in accounting estimate

None

C. Correction of accounting errors

None

4) Taxes

3. Tax items:

The Company's main category of taxes and tax rate:

1) Value added tax: 17%

- 2) Business tax: 5%  
 3) City construction tax: 1% and 7% of the value added tax and business tax payable  
 4) Income tax:

Unit name	tax rate
Shanghai Forever Co., Ltd. (parent company)	27%
Shanghai Forever Real Estate Development Co., Ltd.	33%
Shanghai Forever Co., Ltd. Suzhou Branch	33%
Shanghai Forever Import & Export Co., Ltd.	33%
Shanghai Forever Bicycle Distribution Co., Ltd.	33%
Shanghai Shenli Forever Bicycle Co., Ltd.	33%
Shanghai Zhonglu Forever Technical Service Co., Ltd.	33%
Shanghai Zhonglu Industrial Co., Ltd.	Note 1
Shanghai Zhonglu Forever Bicycle Distribution Co., Ltd.	Note 2
Shanghai Forever Automatic Table of Chess & Card Sales Co., Ltd.	Note 2
Shanghai Zhonglu Bowling Equipment Installation Co., Ltd.	Note 3
Shanghai Zhonglu Forever Plastic Cement Engineering Co., Ltd.	Note 3
Shanghai Forever Electric Bicycle Distribution Co., Ltd.	33%

Note 1: Shanghai Zhonglu Industrial Co., Ltd. is applying for an income tax rate of 15%.

Note 2: The limited liability companies registered in Pudong New Area, can pay income tax in the rate of 15%.

Note 3: Pay 1% of the income which should be levied with value added tax and business tax.

- 5) Controlled subsidiary and corporate joint venture

Unit: RMB'0000 Currency: Renminbi

Unit name	Registered address	Legal representative	Registered capital	Scope of business	Amount of investment	Equity ratio (%)		If consolidated
						Direct	Indirect	
Shanghai Forever Real Estate Development Co., Ltd.	Room 131 No. 8 Xiushan Road, Industrial Park, Chongming	Yan aimin	800.00	Development and operation on real estate, realty management	800.00	46.25	53.75	Yes
Shanghai Forever Share Company Suzhou Branch	No. 25 Huanshan Road, Shangfangshan Hill, suburban of Suzhou	Gu Juexin	2,300.00	Produce and sell bicycles	1,173.00	51.00		Yes
Shanghai Forever Import & Export Co., Ltd.	Room 110 No.125 Liyang Road	Gu Juexin	509.00	Export various kinds of bicycles, motorcycles and body building equipment	450.00	88.40		Yes
Shanghai Forever Bicycle Distribution Co., Ltd.	Room 274 No.17 Kangshi Road, Camdrove Town, Nanhui District, Shanghai	Yan Yiming	370.00	Sales for bicycle, moped, motorcycle and spare parts	330.00	89.20		Yes
Shanghai Shenli Forever Bicycle Co., Ltd.	Jinze Town, Qingpu District	Cai Yiwei	250	Manufacture and process bicycles and mopeds, office supplies, knitting cotton goods, body building equipment, hardware & electric appliances, general merchandise, grain and oils.	225.00	90.00		Yes
Shanghai Zhonglu Industry Co., Ltd.	Room 409 No. 2502 Hunan Road	Li Xingming	12,580.00	Bowling equipment, bowling chute, bowling, bowling bottle, wood floor, leather shoe, clothing manufacturing and processing.	19,529.60	90.00		Yes
Shanghai Zhonglu Forever Bowling Equipment Installation Co., Ltd.	Beishou, Sanzao Town, Nanhui	Shen Jianguo	500.00	Installation and maintenance of bowling equipment	450.00		90.00	Yes
Shanghai Zhonglu Forever Bicycle Distribution Co., Ltd.	No.1 Building No.1568 Hunan Highway, Pudong New Area	Wang Qilong	100.00	Bicycle, baby carrier, moped, motorcycle and spare parts, ironware and electric appliances.	90.00		90.00	Yes
Shanghai Forever Automatic Table of Chess & Card Sales Co., Ltd.	No.8, Lane 188, Fanghua Road, Pudong	Fan Wei	50.00	Sales of automatic table of chess & card and spare parts	45.00		90.00	Yes
Shanghai Zhonglu	Seat No.132 5th	Yan	300.00	Plastic cement athletics field,	270.00		90.00	Yes

Forever Plastic Cement Engineering Co., Ltd.	Floor No.3370 Zhenbei Road, Putuo District	aimin		basketball court tennis court and working for the plastic cement floor of various kinds of factories				
Shanghai Zhonglu Forever Technical Service Co., Ltd.	8F No.380 Tianmuzhong Road	Lu Baimin	50.00	Retail and wholesale of bicycle, electric bicycle, special bicycle and parts and related products, and maintenance service	50.00		100.00	Yes
Shanghai Forever Electric Bicycle Distribution Co., Ltd.	No.1578 Zhaogaoqiao Road, Pudong New Area	Cai Yiwei	200.00	Sales of bicycle, electric bicycle, baby carrier and parts, hardware and general merchandise	200.00		100.00	Yes
Shanghai Forever Trade Co., Ltd.	Room 4200 Comprehensive Bulding No.2, F Area, Waigaoqiao Bonded Zone	Ye Shunqi ang	170.00	International trade, trade in bonded area	170.00	100.00		No
Shanghai Forever Mopeds Jiujiang Co., Ltd.	Jiujiang, Jiangxi		100.00	Produce and sell mopeds with brand	51.00	51.00		No

(1) Unconsolidated subsidiaries and the cause for unconsolidation

A. The Shanghai Forever Mopeds Jiujiang Co., Ltd. was still basically in the status of closing business, and the Company has already had no substantial control to it, so the Company does not consolidate it into the statements and appropriate the provision for depreciation of long-term investment for the estimated depreciative part.

B. The Shanghai Forever Trade Co., Ltd. stopped its business and started the liquidation in 1998. The written-off work of this company is still in the process, so it has not been consolidated into the statements in this year.

A) Contents and causes of changes in scope of consolidated statements

None

B) Explanation of subsidiaries which the Company holds over 50% shares of and were not absorbed into consolidation scope:

Shanghai Forever Trade Co., Ltd. is in liquidation.

Shanghai Forever Mopeds Jiujiang Co., Ltd. is closed down.

6) Notes on consolidated accounting statements:

(1) Monetary capital:

A. Classification of monetary capitals

Unit: RMB Currency: Renminbi

Item	Closing balance	Beginning balance
Cash	544,408.98	420,553.53
Bank deposit	76,708,987.23	158,854,284.39
Other monetary capitals	61,346.43	61,571.57
Total	77,314,742.64	159,336,409.49

B. Other monetary capitals - foreign currency:

Unit: RMB

Foreign currency	Closing balance			Beginning balance		
	Amount of foreign currency	Exchange rate	Amount of Renminbi	Amount of foreign currency	Exchange rate	Amount of Renminbi
U.S. dollar	528,610.29	8.2765	4,375,043.07	614,848.34	8.2765	5,088,792.28
Japanese yen	49,295	0.0749	3,692.22			
Total	/	/	4,378,735.29	/	/	5,088,792.28

(2) Short-term investment:

A. Classification of short-term investment

Unit: RMB Currency: Renminbi

Item	Beginning balance	Closing balance	Total
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	Book balance	Depreciation provision	Net book value	Book balance	Depreciation provision	Net book value	market price at the end of the report period
Total of equity investments	419,639.26	285,679.26	133,960.00	419,639.26	308,879.26	110,760.00	
Incl.: Stock investment	419,639.26	285,679.26	133,960.00	419,639.26	308,879.26	110,760.00	
Other equity investments							
Total of bond investments							
Incl.: Treasury bonds investment							
Other bonds							
Fund investment							
Other short-term investments							
Total	419,639.26	285,679.26	133,960.00	419,639.26	308,879.26	110,760.00	

B. Short-term stock investment

Unit: RMB Currency: Renminbi

Stock name	Investment ratio	Stock nature	Number of share	Amount of investment	Market price per share at the end of the report period	Total market price at the end of the report period	Depreciation provision	Net book value	Data sources of market price at the end of the report period
Tunefulhome	<5%	Tradable share	10,000	102,170.49	2.79	27,900.00	74,270.49	27,900.00	Supplied by Zhongxin Securities Sales Department
Huayi Compress	<5%	Tradable share	10,000	111,104.89	2.28	22,800.00	88,304.89	22,800.00	Supplied by Zhongxin Securities Sales Department
ST Xinguang	<5%	Tradable share	14,000	143,989.89	2.86	40,040.00	103,949.89	40,040.00	Supplied by Zhongxin Securities Sales Department
Erwushang A	<5%	Tradable share	7,000	62,373.99	2.86	20,020.00	42,353.99	20,020.00	Supplied by Zhongxin Securities Sales Department
Total	/	/	41,000	419,639.26	/	110,760.00	308,879.26	110,760.00	/

In current year the Company, based on the market price of the invested shares at end of the year, reestimated the possible loss from the short-term investment and increased the appropriated provision for depreciation of short-term investment at the end of the year.

(3) Notes receivable:

Unit: RMB Currency: Renminbi

Kind	Note holder	Closing	Beginning	Date of	Mature
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		balance	balance	issuance	date
Commercial acceptance bill	Shanghai Jieshijie New Material Co., Ltd.		5,205,431.00	09/07/2004	03/05/2005
Commercial acceptance bill	Shanghai Jieshijie New Material Co., Ltd.		6,553,855.00	11/17/2004	05/15/2005
Commercial acceptance bill	Shanghai Jieshijie New Material Co., Ltd.		6,193,242.00	12/10/2004	06/10/2005
Commercial acceptance bill	Shanghai Jieshijie New Material Co., Ltd.		4,400,000.00	07/16/2004	01/16/2005
Commercial acceptance bill	Shanghai Jieshijie New Material Co., Ltd.	4,095,531.00		01/31/2005	07/28/2005
Commercial acceptance bill	Shanghai Jieshijie New Material Co., Ltd.	7,657,672.00		03/01/2005	07/27/2005
Bank acceptance bill	Anqing Feiteng Trade Co., Ltd.	10,344.00		03/11/2005	09/11/2005
Commercial acceptance bill	Shanghai Forever Bicycle Manufacturing Co., Ltd.	179,073.5		05/26/2005	11/25/2005
Bank acceptance bill	Suzhou Huaihai Automobile Industry Co., Ltd.		81,320.00	12/13/2004	06/13/2005
Bank acceptance bill	MengCheng County Department Store Household Electrical Appliances and Bicycle Wholesale Department		50,000.00	12/10/2004	06/10/2005
Bank acceptance bill	Nanchang Xianda Automobile Industry and Business		170,000.00	12/22/2004	06/22/2005
Bank acceptance bill	Hangzhou Changhe Commodity Concrete Factory		100,000.00	12/01/2004	06/01/2005
Bank acceptance bill	Changsha Zhengyuan Bicycle Sales Department		189,426.00	12/20/2004	06/20/2005
Total	/	11,942,620.50	22,943,274.00	/	/

Amount of discounted commercial acceptance is RMB 11,753,203. Details: RMB 4,095,531.00; RMB 7,657,572.00.

(4) Accounts receivable:

A. Account age of accounts receivable

Unit: RMB Currency: Renminbi

Account age	Closing balance					Beginning balance				
	Book balance		Provision for bad debts		Net book value	Book balance		Provision for bad debts		Net book amount
	Amount	Ratio	Amount	Appropriated ratio		Amount	Ratio	Amount	Appropriated ratio	
Within one year	63313672.52	47.67	6470727.63	5.00	56842944.89	64973139.53	48.31	7396229.91	5.00	57576909.62
1 to 2 years	28156944.54	21.20	2815694.45	10.00	25341250.09	28156944.54	20.94	2815694.45	10.00	25341250.09
2 to 3 years	11734726.26	8.83	3520417.88	30.00	8214308.38	11734726.26	8.73	3520417.88	30.00	8214308.38
Over 3 years	29619096.62	22.30	29619096.62	100.00	0	29619096.62	22.02	29619096.62	100.00	0
Total	132824439.94	100.00	42425936.58		90398503.36	134483906.95	100.00	43351438.86		91132468.09

B. Changes in bad debts provision for accounts receivable

Unit: RMB Currency: Renminbi

Item	Beginning balance	Increase in current period	Decrease in current period			Closing balance
			Amount returned	Amount transferred out	Total	
Bad debt provision for accounts receivable	43,351,438.86		925,502.28		925,502.28	42,425,936.58

Closing balance of accounts receivable decreased compared with the beginning balance and correspondingly bad debt provision was reduced.

C. Debts of the top 5 accounts receivable

Unit: RMB Currency: Renminbi

	Closing balance		Beginning balance	
	Amount	Ratio	Amount	Ratio
Total and ratio of top 5 units in debt	31,400,136.79	23.64	37,212,536.56	27.67

D. Accounts receivable whose bad debts provision was full amount or over 40% appropriated.

Unit: RMB Currency: Renminbi

Unit name	Relations with the Company	Amount in arrear	Arrearage period	Arrearage cause	Amount appropriated for bad debts	Ratio (%) appropriated for bad debts	Cause of appropriating provision for bad debts
Shanghai Bicycle Factory Nanxiang Branch	Client	4,858,868.14	Over 3 years	Closed down	4,858,868.14	100	Too long time, estimated recoverable amount is lower than book value
Shanghai Forever Trade Co., Ltd.	Wholly-own subsidiary	1,962,606.68	Over 3 years	In the process of liquidation	1,962,606.68	100	Too long time, estimated recoverable amount is lower than book value
Forever Hotel	Client	1,890,395.00	Over 3 years	Closed down	1,890,395.00	100	Too long time, estimated recoverable amount is lower than book value
Shandong Dongying Yebin	Client	622,289.33	Over 3 years	Closed down	622,289.33	100	Too long time, estimated recoverable amount is lower than book value
Peking Cement Plant	Client	589,941.35	Over 3 years	Closed down	589,941.35	100	Too long time, estimated recoverable amount is lower than book value
Other debtors	Client	20,419,331.49	Over 3 years	Closed down	20,419,331.49	100	Too long time, estimated recoverable amount is lower than book value
Total	/	30,343,431.99	/	/	30,343,431.99	/	/

E. There is no debts from shareholder units which hold 5% or above shares with voting power of the Company in accounts receivable during the report period.

(5) Other receivables:

A. Account age of other receivables

Unit: RMB Currency: Renminbi

Account age	Closing balance					Beginning balance				
	Book balance		Provision for bad debts		Net book amount	Book balance		Provision for bad debts		Net book amount
	Amount	Ratio (%)	Amount	Appropriated ratio (%)		Amount	Ratio (%)	Amount	Appropriated ratio (%)	
Within one year	36,375,372.92	41.25	2,910,029.83	5.00	33,465,343.09	5,621,382.85	9.79	1,074,893.80	5.00	4,546,489.05
1 to 2 years	3,611,076.58	4.10	361,107.66	10.00	3,249,968.92	3,611,076.58	6.29	361,107.66	10.00	3,249,968.92
2 to 3 years	297,123.55	0.34	89,137.07	30.00	207,986.48	297,123.55	0.50	89,137.07	30.00	207,986.48
Over 3 years	47,904,551.61	54.31	47,904,551.61	100.00	0	47,904,551.61	83.42	47,904,551.61	100.00	0
Total	88,188,124.66	100.00	51,264,826.17		36,923,298.49	57,434,134.59	100.00	49,429,690.14		8,004,444.45

B. Changes in bad debts provisions for other receivables

Unit: RMB Currency: Renminbi

Item	Beginning balance	Increase in current period	Decrease in current period			Closing balance
			Amount returned	Amount transferred out	Total	
Bad debt provision for other receivables	49,429,690.14	1,835,136.03				51,264,826.17

The closing balance of other receivables rose compared with the beginning balance, so the Company additionally appropriated bad debts provision.

C. Debts of the top 5 of other receivables

Unit: RMB Currency: Renminbi

	Closing balance		Beginning balance	
	Amount	Ratio	Amount	Ratio
Total and ratio of top 5 units in debt	55,673,791.68	63.13	44,233,215.89	77.02

D. Main units of other receivables

Unit: RMB Currency: Renminbi

Unit name	Amount in arrear	Arrearage period	Arrearage cause	Amount appropriated for bad debts	Ratio of appropriating provision for bad debts	Cause of appropriating provision for bad debts
Asia ABC Bicycle Factory	33,818,827.37	Over 3 years	Closed down	33,818,827.37	100.00	Too long time, estimated recoverable amount is lower than book value
Shanghai Haolan Enterprise Management Consultance Company	7,888,915.05	Within one year	Temporary loan	394,445.75	5.00	Newly added in current period
Shanghai Peiqin Trade Co., Ltd.	5,776,665.00	Within one year	Temporary loan	288,833.75	5.00	Newly added in current period
Other receivables in branch factory	4,716,840.87	Over 3 years	Closed down	4,716,840.87	100.00	Too long time, estimated recoverable amount is lower than book value
Shanghai Yongshen Bicycle Co., Ltd.	3,472,543.39	Over 3 years	Closed down	3,472,543.39	100.00	Too long time, estimated recoverable amount is lower than book value
Total	55,673,791.68	/	/	42,691,491.13	/	/

E. Other receivables whose bad debts provision was full amount or over 50% appropriated.

Unit: RMB Currency: Renminbi

Unit name	Relations with the Company	Amount in arrear	Arrearage period	Arrearage cause	Amount appropriated for bad debts	Ratio (%) appropriated for bad debts	Cause of appropriating provision for bad debts
Asia ABC Bicycle Factory		33,818,827.37	Over 3 years	Closed down	33,818,827.37	100.00	Too long time, estimated recoverable amount is lower than book value
Other receivables in branch factory		4,716,840.87	Over 3 years	Closed down	4,716,840.87	100.00	Too long time, estimated recoverable amount is lower than book value
Prepaid for over 3 years	Client	3,472,543.39	Over 3 years	Closed down	3,472,543.39	100.00	Too long time, estimated recoverable amount is lower than book value
Shanghai Yongshen Bicycle Co., Ltd.		1,127,825.43	Over 3 years	Closed down	1,127,825.43	100.00	Too long time, estimated recoverable amount is lower than book value
Other debtors	Client	5,516,195.55	Over 3 years	Closed down	5,516,195.55	100.00	Too long time, estimated recoverable amount is lower than book value
Total	/	48,652,232.61	/	/	48,652,232.61	/	/

F. There is no debts from shareholder units which hold 6% or above shares with voting power of the Company in other receivables during the report period.

(6) Accounts paid in advance:

A. Account age of Accounts paid in advance



Unit: RMB Currency: Renminbi

Account age	Closing balance		Beginning balance	
	Amount	Ratio	Amount	Ratio
Within one year	53,150,864.71	99.18	47,415,300.59	99.08
1 to 2 years	347,428.86	0.65	347,428.86	0.72
2 to 3 years	93,901.46	0.17	93,901.46	0.20
Over 3 years				
Total	53,592,195.03	100.00	47,856,630.91	100.00

B. Debts of the top 5 of accounts paid in advance

Unit: RMB Currency: Renminbi

	Closing balance		Beginning balance	
	Amount	Ratio	Amount	Ratio
Total and ratio of top 5 units in debt	34,384,940.00	64.16	26,000,000.00	54.33

D. Main units of accounts paid in advance

Unit: RMB Currency: Renminbi

Unit name	Relations with the Company	Amount in arrear	Arrearage period	Arrearage cause
Shanghai Zhizheng Enterprise Development Co., Ltd.	Supplier	10,000,000.00	Within six months	The supplier's invoice hasn't come yet.
Hengdina Group Lianyi Electric Machinery Co., Ltd.	Supplier	8,384,940.00	Within six months	The supplier's invoice hasn't come yet.
Shanghai Jieshijie New Material Co., Ltd.	Supplier	7,000,000.00	Within six months	The supplier's invoice hasn't come yet.
Nanjing Jinxing Oil Chemical Industry Co., Ltd. Shanghai Branch	Supplier	5,000,000.00	Within six months	The supplier's invoice hasn't come yet.
Shanghai Yuantong Trade Co., Ltd.	Supplier	4,000,000.00	Within six months	The supplier's invoice hasn't come yet.
Total	/	34,384,940.00	/	/

E. There is no debts from shareholder units which hold 4% or above shares with voting power of the Company in accounts paid in advance during the report period.

1. The Company's accounts paid in advance with account age 1-2 years and 2-3 years is RMB 441,330.32. This is mainly because the invoice of the supply unit has not come yet. The Company has evaluated the above inventories and entered the account.

(7) Subsidy receivable:

Unit: RMB Currency: Renminbi

Item	Beginning balance	Increase in current period	Decrease in current period	Closing balance
Export rebates receivable	1,817,454.50	6,562,490.87	4,415,773.38	3,964,171.99
Total	1,817,454.50	6,562,490.87	4,415,773.38	3,964,171.99

(8) Inventory:

A. Classification of inventory

Unit: RMB Currency: Renminbi

Item	Closing balance			Beginning balance		
	Book balance	Depreciation provision	Book value	Book balance	Depreciation provision	Book value
Raw materials	36,294,032.61	1,035,295.81	35,258,736.80	59,562,987.34	1,035,295.81	58,527,691.53
Commodity stocks	47,923,085.32	3,601,823.41	44,321,261.91	24,065,499.42	3,601,823.41	20,463,676.01
Packings	60,054.36		60,054.36	53,667.15	0	53,667.15
Entrustedly processed material	1,489,884.95		1,489,884.95	1,378,724.32	0	1,378,724.32
Low cost and short lived articles	8,852.35		8,852.35	17,684.46	0	17,684.46
Finished goods	23,613,580.64	269,839.89	23,343,740.75	34,216,959.96	269,839.89	33,947,120.07
Work-in-process	13,340,268.49		13,340,268.49	10,405,494.90	0	10,405,494.90
Project construction	5,121,834.57	345,793.79	4,776,040.78	3,468,737.54	345,793.79	3,122,943.75
Self-made semi-	11,455,595.03		11,455,595.03			

manufactured goods						
Total	139,307,188.32	5,252,752.90	134,054,435.42	133,169,755.09	5,252,752.90	127,917,002.19

B. Provision for depreciation of inventory

Unit: RMB Currency: Renminbi

Item	Beginning balance	Increase	Decrease	Closing balance
Raw materials	1,035,295.81	0	0	1,035,295.81
Commodity stocks	3,601,823.41	0	0	3,601,823.41
Finished goods	269,839.89	0	0	269,839.89
Project construction	345,793.79	0	0	345,793.79
Total	5,252,752.90	0	0	5,252,752.90

For the closing balance of inventories appropriate the provision for depreciation of inventories according to the difference by which the cost is higher than the net realizable value; set the net realizable value according to the net value of the market selling price less estimated expenses.

(9) Expenses to be amortized:

Unit: RMB Currency: Renminbi

Kind	Beginning balance	Increase in current period	Amount amortized in current period	Closing balance	Reason of closing balance
Leasing fee	55,297.00	201,557.65	79,002.00	177,852.65	Rental for the second 6 months of 2005
Total	55,297.00	201,557.65	79,002.00	177,852.65	/

(10) Long-term investment:

A. Classification of long-term investments

Unit: RMB Currency: Renminbi

Item	Beginning balance	Increase	Decrease	Closing balance
Stock investment	2,019,565.75			2,019,565.75
Investment in subsidiary companies				
Investment in joint ventures				
Investment in affiliated companies				
Other equity investments	35,475,507.54		5,750,464.76	29,725,042.78
Equity investment difference	16,686,183.98		1,069,531.68	15,616,652.30
Variance in price consolidated				
Total	54,181,257.27		6,819,996.44	47,361,260.83
Less: Provision for depreciation of long-term equity investment	11,950,893.53			11,950,893.53
Total of net amount of long-term equity investments	42,230,363.74	/	/	35,410,367.30

B. Long-term stock investment

Unit: RMB Currency: Renminbi

Name of invested company	Kind of share	Number of share	Ratio in the registered capital of invested company (%)	Initial investment cost	Amount of investment	Net book value	Market price at the end of the report period
No. 1 Department Store	Legal person share of listed company	12,012	5%	47,865.75	47,865.75	47,865.75	
Changjiang Economic Union	Legal person share of non-listed company	416,000	5%	708,400.00	708,400.00	708,400.00	
Hengtong Industry	Legal person share of non-listed company	10,000	5%	18,300.00	18,300.00	18,300.00	
Yancheng Rubber Share	Legal person share of non-listed company	30,000	5%	30,000.00	30,000.00	30,000.00	
Wuhan Steel Electricity Share	Legal person share of non-listed company	1,115,000	5%	1,115,000.00	1,115,000.00	1,115,000.00	
Shenwei Group	Legal person share of non-listed company	100,000	5%	100,000.00	100,000.00	100,000.00	

Total	/		/	2,019,565.75	2,019,565.75	2,019,565.75	/
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C. Other equity investments

Unit: RMB Currency: Renminbi

Name of invested unit	Ratio in the registered capital of invested company (%)	Investment cost	Beginning balance	Increase or decrease in current period	Accumulated increase or decrease	Closing balance	Accounting method
Shanghai Yongshi Mechanic Co., Ltd. (Note 1)	34.86	3,364,149.25	3,364,149.25			3,364,149.25	Cost method
Shanghai Forever Joint Sales Company (Note 2)	50.00	638,369.00	638,369.00			638,369.00	Cost method
Shanghai Yongche Industry Co., Ltd.		200,000.00	200,000.00			200,000.00	Cost method
Forever General Service Company		200,000.00	200,000.00			200,000.00	Cost method
Zhonglian Technological Development Manage Division		347,000.00	347,000.00			347,000.00	Cost method
Tertiary industry of factory trade union		200,000.00	200,000.00			200,000.00	Cost method
Technical school of Shanghai Light Industry Equipment Company		25,000.00	25,000.00			25,000.00	Cost method
Shanghai Yongqing Car Dock (Note 3)		240,000.00	240,000.00			240,000.00	Cost method
Shanghai Forever Sanhe Electric Bicycle Co., Ltd. (Note 4)	51.00	364,671.62	364,671.62			364,671.62	Cost method
Shanghai Sea-gull Numeral Image Co., Ltd.	9.61	14,410,000.00	14,410,000.00			14,410,000.00	Cost method
Shanghai Yongshen Bicycle Co., Ltd.	45.00	31,309,303.66	9,417,702.52		-21,891,601.14	9,417,702.52	Equity method
Shanghai Forever Trade Co., Ltd.	100.00	1,687,100.00	0		-1,687,100.00	0	Equity method
Shanghai Forever Mopeds Jiujiang Co., Ltd.	51.00	510,000.00	318,150.39		-191,849.61	318,150.39	Equity method
Shanghai Shunli Realty Management Co., Ltd. (Note 5)	90.00	453,338.31	453,338.31	-453,338.31			
Shanghai Decathlon Zhonglu Sports Goods Retail Co., Ltd. (Note 6)	35.00	5,297,126.45	5,297,126.45	-5,297,126.45			
Total	/	37,162,607.54	35,475,507.54	-5,750,464.76	-23,770,550.75	29,725,042.78	/

Name of invested unit	Depreciation provision	
	Beginning balance	Closing balance
Shanghai Forever Joint Sales Company (Note 2)	638,369.00	638,369.00
Shanghai Yongche Industry Co., Ltd.	200,000.00	200,000.00
Forever General Service Company	200,000.00	200,000.00
Zhonglian Technological Development Manage Division	347,000.00	347,000.00
Tertiary industry of factory trade union	200,000.00	200,000.00
Technical school of Shanghai Light Industry Equipment Company	25,000.00	25,000.00
Shanghai Yongqing Car Dock (Note 3)	240,000.00	240,000.00
Shanghai Forever Sanhe Electric Bicycle Co., Ltd. (Note 4)	364,671.62	364,671.62
Shanghai Yongshen Bicycle Co., Ltd.	9,417,702.52	9,417,702.52
Shanghai Forever Mopeds Jiujiang Co., Ltd.	318,150.39	318,150.39
Total	11,950,893.53	11,950,893.53

Note 1: The Company holds 34.86% equity interest in Shanghai Yongshi Mechanic Co., Ltd., but has no significant impacts on it based on the contracted management agreement, so use the cost method to make calculation.

Note 2: The Company holds 50% equity interest in the Shanghai Forever Joint Sale Co., Ltd., but has not participated the main operating management, has no substantial control right and has not made significant impacts on the production operation. So the Company adopt cost method to make

accounting and appropriate provision for depreciation of long-term investment for estimated depreciative part.

Note 3: Shanghai Yongqing Car Dock is still in the liquidation period in this year, so the Company uses cost method to calculate the long-term equity investment and appropriate the provision for depreciation of long-term investment for the estimated depreciative part.

Note 4: The Company holds 51% equity interest in the Shanghai Forever Sanhe Electric Bicycle Co., Ltd., but has not invested enough capital and not participated the main operating management, has no substantial control right and has not made significant impacts on the production operation. So the Company adopts cost method to make accounting and appropriate provision for depreciation of long-term investment for estimated depreciative part.

Note 5: Shanghai Forever Real Estate Development Co., Ltd., subsidiary of the Company, finished industrial and commercial registration change that it had sold Shanghai Lishun Property Management Co., Ltd. in February 2005 and all the relevant equity transfer procedures have been completed.

Note 6: Shanghai Zhonglu Industrial Co., Ltd., subsidiary of the Company, signed the agreement on transferring equity of Shanghai Decathlong Zhonglu Sports Goods Retail Co., Ltd. in 2004 and acquired approval from the Ministry of Commerce and completed the procedure of industrial and commercial registration change in January 2005.

#### D. Equity investment difference

Unit: RMB Currency: Renminbi

Name of invested unit	Amount at the beginning of the report period	Beginning balance	Decrease	Amount amortized	Closing balance	Cause	Amortization life
Shanghai Forever Co., Ltd. Suzhou Branch	-1,970,457.50	-6,568,081.98	-328,401.12	-4,926,025.60	-1,642,056.38	Note 1	10
Shanghai Zhonglu Industry Co., Ltd.	17,236,053.35	25,854,080.14	1,292,704.02	9,910,730.81	15,943,349.33	Note 2	10
Shanghai Forever Real Estate Development Co., Ltd.	1,420,588.13	2,104,575.14	105,228.78	789,215.79	1,315,359.35	Note 3	10
Total	16,686,183.98	21,390,573.30	1,069,531.68	5,773,921.60	15,616,652.30	/	/

Note 1: In Jan. 1996 the Company acquired 51% equity interest in Shanghai Forever Co., Ltd. Suzhou Branch with RMB 11,730,000.00. This company's net assets then was RMB 35,878,592.11. For the difference of equity investment of RMB -6,568,081.98 the Company make amortization to it for 10 years according to the relevant regulations of the Ministry of Finance.

Note 2: In Sept. 2001 the Company acquired 90% equity interest respectively in the Shanghai Zhonglu Industrial Co., Ltd. and Shanghai Zhonglu Bowling Equipment Manufacture Co., Ltd. with the receivable of RMB 195,295,469.20. At that time the net assets of above two Companies is RMB 188,268,210.07, the equity investment difference generated is RMB 25,854,080.14. The Company according to the relevant regulations of the Ministry of Finance made amortization for 10 years. In 2002 the Shanghai Zhonglu Industry Co., Ltd. merged the Shanghai Zhonglu Bowling Equipment Manufacture Co., Ltd. The Company transferred the amortized value of the difference of equity investment to the Shanghai Bowling Equipment Manufacture Co., Ltd. to the difference of equity investment of Shanghai Zhonglu Industry Co., Ltd. and make amortization during remained years.

Note 3: In Sept. 2001 the Company's subsidiary Shanghai Zhonglu Industry Co., Ltd. acquired 53.75% equity interest in Shanghai Forever Real Estate Development Co., Ltd. with RMB 4,300,000.00. According to the resolution of the shareholders' meeting of the Shanghai Forever Real Estate Development Co., Ltd. on Feb. 2, 2001, the ownership equity before Dec. 31, 2000 belongs to the Company, but since Jan. 2001 the increased equity should be shared according to the equity ratio. From Jan. to Sep. the net profit of the Shanghai Forever Real Estate Development Co., Ltd. was RMB -3,915,488.61, so the retained income shared by the Shanghai Zhonglu Industry Co., Ltd. while transferring the equity interests. For the difference of equity investment of RMB 2,104,575.14 the Company make amortization to it for 10 years according to the relevant regulations of the Ministry of Finance.

#### (11) Fixed assets:

Unit: RMB Currency: Renminbi

Item	Beginning balance	Increase in current period	Decrease in current period	Closing balance
1. Total of original prices:	202,343,252.63	1,668,380.05	3,380,633.59	200,630,999.09

Incl.: House & building	98,589,461.39			98,589,461.39
Machinery equipment	103,753,791.24	1,668,380.05	3,380,633.59	102,041,537.70
2. Total of accumulated depreciation:	89,597,522.74	4,219,588.49	1,912,950.01	91,904,161.22
Incl.: House & building	31,521,440.00	1,837,203.75		33,358,643.75
Machinery equipment	58,076,082.74	2,382,384.74	1,912,950.01	58,545,517.47
3. Total of net fixed assets	112,745,729.89	-2,551,208.44	1,467,683.58	108,726,837.87
Incl.: House & building	67,068,021.39	-1,837,203.75		65,230,817.64
Machinery equipment	45,677,708.50	-714,004.69	1,467,683.58	43,496,020.23
4. Total of provision for depreciation	19,708,116.51			19,708,116.51
Incl.: House & building	497,753.37			497,753.37
Machinery equipment	19,210,363.14			19,210,363.14
5. Total of net fixed assets	93,037,613.38	-2,551,208.44	1,467,683.58	89,018,721.36
Incl.: House & building	66,570,268.02	-1,837,203.75		64,733,064.27
Machinery equipment	26,467,345.36	-714,004.69	1,467,683.58	24,285,657.09

(12) Projects in construction:

Unit: RMB Currency: Renminbi

Item	Closing balance			Beginning balance		
	Book balance	Depreciation provision	Net book value	Book balance	Depreciation provision	Net book value
Project in construction	104,068,029.75		104,068,029.75	86,360,637.75		86,360,637.75

A. Changes in projects in construction:

Unit: RMB Currency: Renminbi

Project name	Budget amount	Beginning balance	Increase in current period	Decrease in current period	Fixed assets transferred in	Capitalization rate of interest	Fund resources	Closing balance
Dachang fundamental construction project	---	---	308,938.46		29,200.00	0	Self-owned	279,738.46
Central Factory construction	52,350,000.00	15,398,399.94	14,134,922.61			0	Self-owned	29,533,322.55
Central factory land (transfer fee)	68,550,000.00	67,500,000.00	1,050,000.00			0	Self-owned	68,550,000.00
Central factory land (expenses from land taxes)	1,176,960.00	1,176,960.00	1,738,193.43			0	Self-owned	2,915,153.43
Other projects	---	2,285,277.81	879,280.24		374,742.74	0	Self-owned	2,789,815.31
Total	---	86,360,637.75	18,111,334.74		403,942.74	/	/	104,068,029.75

1. The closing balance of construction in progress increased by RMB 17,707,392.00 than the beginning balance, an increase of 20.51%. The reason of increase is mainly increase in investment in the central factory construction.

(13) Disposal of fixed assets :

Unit: RMB Currency: Renminbi

Item	Beginning balance	Increase in current period	Decrease in current period	Closing balance
Discarded machinery equipment	0	1,071,707.33	0	1,071,707.33
Total	0	1,071,707.33	0	1,071,707.33

The disposal of discarded machinery equipment has not been finished yet.

(14) Intangible assets:

Unit: RMB Currency: Renminbi

Item	Closing balance			Beginning balance		
	Book balance	Depreciation provision	Net book value	Book balance	Depreciation provision	Net book value
Intangible assets	18,633,915.40		18,633,915.40	18,880,151.32		18,880,151.32

A. Changes in intangible assets:

Unit: RMB Currency: Renminbi

Kind	Procurement mode	Actual cost	Beginning balance	Increase in current period	Transferred out in current period	Amount amortized in current period	Accumulated amortization	Closing balance	Remained amortization life
Right to use the land (Note)	Assigned	1,960,000.00	1,518,999.88			19,600.02	460,600.14	1,499,399.86	38年3个月
Right to use the land (Note)	Transferred out	16,663,589.40	14,660,424.21			168,403.40	2,171,568.59	14,492,020.81	43年5个月
Financial software		357,350.00	269,264.43	3,600.00		30,689.20	118,774.77	242,175.23	3年1个月
Water source charge		2,400,000.00	1,860,000.00			24,000.00	564,000.00	1,836,000.00	38年3个月
Employee's house with no property right		714,328.60	571,462.80			7,143.30	150,009.10	564,319.50	39年6个月
Total	/	22,095,268.00	18,880,151.32	3,600.00		249,835.92	3,464,952.60	18,633,915.40	/

Note: The right to use the land was pledged at the end of the year. For details, please refer to Note 10(2)

(15) Long-term expenses to be amortized:

Unit: RMB Currency: Renminbi

Kind	Original amount	Beginning balance	Increase in current period	Transferred out in current period	Amount amortized in current period	Accumulated amortization	Closing balance	Remained amortization life
Prepaid social insurance cost for employees waiting for requirement	10,000,000.00	8,000,000.00	0	0	1,000,000.00	3,000,000.00	7,000,000.00	7 years
Total	10,000,000.00	8,000,000.00	0	0	1,000,000.00	3,000,000.00	7,000,000.00	/

(16) Short-term loan:

A. Classification of short-term loans:

Unit: RMB Currency: Renminbi

Item	Closing balance	Beginning balance
Pledged loan		
Mortgage loan	90,000,000.00	61,000,000.00
Loan secured	62,000,000.00	94,000,000.00
Credit loan		
Discount of commercial acceptance	11,753,203.00	22,352,528.00
Total	163,753,203.00	177,352,528.00

(17) Notes payable:

Unit: RMB Currency: Renminbi

Kind	Note holder	Closing balance	Beginning balance	Date of issuance	Mature date
Commercial acceptance bill	HANGZHOU JUNQI BICYCLE CO.,LTD	100,000.00		06/30/2005	07/30/2005
Commercial acceptance bill	SHENZHEN XIDESHENG BICYCLE CO., LTD.	100,000.00		06/30/2005	10/30/2005
Commercial acceptance bill	Guangzhou Conghuakeli Bicycle Factory	200,000.00		06/30/2005	11/30/2005
Commercial acceptance bill	Tianjin Keli Electromobile Co., Ltd.	100,000.00		06/30/2005	09/30/2005
Commercial acceptance bill	Tianjin Aotelai Bicycle Manufacture Co., Ltd.	70,000.00		06/30/2005	10/30/2005
Commercial acceptance bill	Chengdu Forever Bicycle Manufacture Co., Ltd.	150,000.00		06/30/2005	10/30/2005

Commercial acceptance bill	Shanghai Baoqi Bicycle Distribution Co., Ltd.	30,000.00		06/30/2005	07/30/2005
Total	/	750,000.00		/	/

(18) Accounts payable:

A. Account age of accounts payable

Unit: RMB Currency: Renminbi

Account age	Closing balance		Beginning balance	
	Amount	Ratio	Amount	Ratio
Within one year	120,668,038.99	100.00	144,614,261.72	100.00
1 to 2 years				
2 to 3 years				
Over 3 years				
Total	120,668,038.99	100.00	144,614,261.72	100.00

There is no fund in the closing balance owed to the shareholders holding 5% or above of the total share capital of the Company.

(19) Accounts received in advance:

A. Account age of accounts received in advance

Unit: RMB Currency: Renminbi

Account age	Closing balance		Beginning balance	
	Amount	Ratio	Amount	Ratio
Within one year	22,276,196.29	100.00	31,744,041.28	100.00
1 to 2 years				
2 to 3 years				
Over 3 years				
Total	22,276,196.29	100.00	31,744,041.28	100.00

There is no arrearage in the closing balance owed to the shareholders holding 5% or above of the total share capital of the Company.

(20) Wages and salaries payable:

Unit: RMB Currency: Renminbi

Item	Closing balance	Beginning balance	Cause of not being paid
Salaries payable	6,650,490.94	7,588,880.12	Balance from previous years
Total	6,650,490.94	7,588,880.12	/

(21) Welfare expenses payable:

Unit: RMB Currency: Renminbi

Item	Closing balance	Beginning balance	Cause of not being paid
Welfare expenses payable	3,276,152.30	2,998,425.99	Appropriation of balance according to the policy
Total	3,276,152.30	2,998,425.99	/

(22) Dividends payable:

Unit: RMB Currency: Renminbi

Item	Closing balance	Beginning balance	Cause of not being paid
Dividend of legal person share	87,402.00	87,402.00	Amount not drawn yet
Total	87,402.00	87,402.00	/

(23) Taxes payable to the government:

Unit: RMB Currency: Renminbi

Item	Closing balance	Beginning balance	Standard
Value added tax	16,730,660.92	22,141,166.00	17%

Business tax	855,685.00	1,231,680.99	5%、3%
Income tax	163,301.03	91,305.40	Note 4(4)
Tax on personal income		844.91	
City construction tax	898,431.85	916,556.66	1%、7%
Use tax of land, stamp tax	40,726.89	97,020.90	
House tax	212,114.20	211,692.69	
Total	18,900,919.89	24,690,267.55	/

The closing balance of taxes payable to the government reduced by RMB 5,789,347.66 or 23.45% than the beginning balance, which is mainly due to value added tax payable of the end of last year paid by the Company.

(24) Other payables:

Unit: RMB Currency: Renminbi

Item	Closing balance	Beginning balance	费率说明
Surtax for education expenses	1,731,066.13	1,760,093.43	3%
Embankment fee	808,983.65	808,983.65	
Award to compulsory serviceman	129,545.48	129,545.48	
River management toll	27,595.39	40,203.28	1%、0.5%
Other	1,120.96	5,179.48	
Total	2,698,311.61	2,744,005.32	

(25) Other payables:

A. Account age of other payables

Unit: RMB Currency: Renminbi

Account age	Closing balance		Beginning balance	
	Amount	Ratio	Amount	Ratio
Within one year	41,006,171.19	100.00	47,293,215.73	100.00
1 to 2 years				
2 to 3 years				
Over 3 years				
Total	41,006,171.19	100.00	47,293,215.73	100.00

B. Main units of other payables

Unit: RMB Currency: Renminbi

Unit name	Amount in arrear	Arrearage period	Arrearage cause
Special fund for land replacement	8,600,000.00		Tax of land replacement
Total	8,600,000.00	/	/

C. Note on other payables:

There is no arrearage in the closing balance owed to the shareholders holding 5% or above of the total share capital of the Company.

(26) Expenses appropriated in advance:

Unit: RMB Currency: Renminbi

Item	Closing balance	Beginning balance	Cause of closing balance
Interest	200,695.61	229,856.41	Appropriated according to loan term
Sales promotion cost of products	594,983.06	2,491,863.04	Appropriated according to quantity of sale
Processing cost	285,381.12	2,754,150.00	Appropriated according to output
Total	1,081,059.79	5,475,869.45	/

(27) Long-term liabilities due in one year:

Unit: RMB Currency: Renminbi

Kind	Beginning day of loan	Expiration day of loan	Closing balance			Beginning balance
			Interest rate	Currency	人民币金额	人民币金额



Guaranteed loan	09/22/2000	09/21/2003	0.0297	Renminbi	800,000.00	800,000.00
Total	/	/	/	/	800,000.00	

Loan unit amount of loan loan rate life of loan  
Construction Bank Shanghai No. 2 Subbranch 800,000.00 2.97% Sep.22, 2000 - Sep. 21, 2003

(28) Share capital:

Unit: Share

	Beginning balance	Increase or decrease (+, -)						Closing balance
		Rationed shares	Bonus share	Transferred from capital reserves	Newly issued shares	Other	Subtotal	
1. Untradable share								
1) Promoter's share	170,209,430.00							170,209,430.00
Including:								
State-owned share	26,569,430.00							26,569,430.00
Domestic listed legal person share	143,640,000.00							143,640,000.00
Overseas listed legal person share								
Other								
2) Raised legal person share	11,500,000.00							11,500,000.00
3) Internal staff share								
4) Preferred share or other								
Subtotal of untradable share	181,709,430.00							181,709,430.00
2. Tradable share								
1) Renminbi ordinary share	14,950,000.00							14,950,000.00
2) Domestically listed foreign capital share	69,000,000.00							69,000,000.00
3) Overseas listed foreign capital share								
4) Other								
Subtotal of tradable share	83,950,000.00							83,950,000.00
3. Total of the share	265,659,430.00							265,659,430.00

(29) Capital surplus:

Unit: RMB Currency: Renminbi

Item	Beginning balance	Increase in current period	Decrease in current period	Closing balance
Share premium				
Provision for accepting donated non-cash assets	2,700.00			2,700.00
Cash donation accepted				
Provision for equity investment	150,000.00			150,000.00
Price difference of associative transactions	30,000,000.00			30,000,000.00
Appropriation transferred in				
Difference from capitalization of foreign currency				
Other capital reserves				
Total	30,152,700.00			30,152,700.00

(30) Surplus reserves:

Unit: RMB Currency: Renminbi

Item	Beginning balance	Increase in current period	Decrease in current period	Closing balance
Statutory surplus reserves	6,206,025.49			6,206,025.49
Statutory public welfare fund	4,267,773.13			4,267,773.13
Discretionary surplus reserves				
Reserve fund				
Enterprise development fund				
Other surplus reserves				

Total	10,473,798.62			10,473,798.62
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(31) Undistributed profit:

Unit: RMB Currency: Renminbi

Item	Closing balance	Beginning balance
Net profit	20,195,306.94	50,710,827.70
Plus: undistributed profit at the beginning of the year	-33,354,006.71	-591,994,920.72
Other transferred in		508,932,746.64
Less: Appropriated statutory surplus reserves		634,864.29
Appropriated statutory public welfare fund		367,796.04
Undistributed profit	-13,158,699.77	-33,354,006.71

(32) Main business income and cost:

A. Main business according to industry

Unit: RMB Currency: Renminbi

Industry name	Current period			Last period		
	Business revenue	Business cost	Gross business profit	Business revenue	Business cost	Gross business profit
1. Industry	185,006,231.21	135,539,848.60	49,466,382.61	189,434,945.32	145,879,062.61	43,555,882.71
2. Commerce	332,845,380.78	303,261,036.92	29,584,343.86	294,948,152.45	266,758,196.12	28,189,956.33
3. Real estate				---	---	
4. Construction enterprise	653,877.00	110,036.84	543,840.16	2,067,904.00	115,407.23	1,952,496.77
Incl.: Associative transactions						
Total	518,505,488.99	438,910,922.36	79,594,566.63	486,451,001.77	412,752,665.96	73,698,335.81
Offset internally	9,809,564.71	9,809,564.71		37,805,683.11	37,805,683.11	0
Total	508,695,924.28	429,101,357.65	79,594,566.63	448,645,318.66	374,946,982.85	73,698,335.81

B. Main business according to product

Unit: RMB Currency: Renminbi

Product name	Current period			Last period		
	Business revenue	Business cost	Gross business profit	Business revenue	Business cost	Gross business profit
Bicycle	466,872,441.33	405,945,038.69		394,609,169.50	337,725,774.69	
Including: bicycle	221,943,174.75	205,367,510.79		200,928,985.44	175,861,162.20	
Gas moped	125,697,064.99	93,185,202.86		113,103,484.83	94,524,134.37	
Electrical bicycle	119,232,201.59	107,392,325.04		80,576,699.23	67,340,478.12	
Health care	50,979,170.66	32,855,846.83		89,773,928.27	74,911,484.04	
Construction enterprise	653,877.00	110,036.84		2,067,904.00	115,407.23	
Incl.: Associative transactions						
Total	518,505,488.99	438,910,922.36		486,451,001.77	412,752,665.96	
Offset internally	9,809,564.71	9,809,564.71		37,805,683.11	37,805,683.11	
Total	508,695,924.28	429,101,357.65		448,645,318.66	374,946,982.85	

C. Main business according to region

Unit: RMB Currency: Renminbi

Region name	Current period			Last period		
	Business revenue	Business cost	Gross business profit	Business revenue	Business cost	Gross business profit
Domestic	431,508,204.11	366,626,389.42		418,868,774.89	54,187,830.12	
Overseas	86,997,284.88	72,284,532.94		67,582,226.88	358,564,835.84	
Incl.: Associative transactions						
Total	518,505,488.99	438,910,922.36		486,451,001.77	412,752,665.96	
Offset internally	9,809,564.71	9,809,564.71		37,805,683.11	37,805,683.11	
Total	508,695,924.28	429,101,357.65		448,645,318.66	374,946,982.85	

(33) Tax and surtax of main business:

Unit: RMB Currency: Renminbi

Item	Current period	Last period	Standard
Business tax	96,389.48	164,542.07	3%、5%
City construction tax	84,366.31	94,781.29	1%、7%
Surtax for education expenses	107,330.68	168,014.08	3%
Total	288,086.47	427,337.44	/

(34) Other business profits:

Unit: RMB Currency: Renminbi

Item	Current period			Last period		
	Income	Cost	Profit	Income	Cost	Profit
Leasing business	251,000.00	20,916.30	300,342.66	29,564.00	10,124.70	19,439.30
Material sales	14,125,749.50	13,954,245.50	101,245.04	2,396,194.79	2,241,918.22	154,276.57
Trademark operating cost	3,164,814.18	1,142,100.20	2,022,713.98	980,208.00	689,516.45	290,691.55
Other				826,246.45	824,119.05	2,127.40
Total	17,541,563.68	15,117,262.00	2,424,301.68	4,232,213.24	3,765,678.42	466,534.82

Amount of other business profit in current period increased by RMB 1,957,766.86 or 419.80% than last period, which is mainly because the increase in production and sale in this year resulted in the increase in trademark operation cost.

(35) Financial expenses:

Unit: RMB Currency: Renminbi

Item	Current period	Last period
Interest cost	4,418,662.75	3,885,089.59
Less: Interest income	241,108.51	380,623.16
Exchange loss	108,808.71	162,065.50
Less: Exchange earnings	15.90	8,349.16
Other	191,649.26	276,911.07
Total	4,477,996.31	3,935,093.84

(36) Earnings from investments:

Unit: RMB Currency: Renminbi

Item	Current period	Last period
Earnings from short-term investments	-23,200.00	6,023,898.56
Incl.: Earnings from stock investment	-23,200.00	23,898.56
Earnings from other short-term investments		6,000,000.00
Earnings from long-term investments	835,232.33	-742,902.90
Incl.: earnings recognized according to equity method	1,808,102.32	
Profit from invested unit calculated according to cost method		221,400.00
Difference amortization of long-term equity investment	-1,069,531.68	-964,302.90
Transfer earnings of equity investment	96,661.69	
Total	812,032.33	5,280,995.66

(37) Subsidiary earnings:

Unit: RMB Currency: Renminbi

Item	Current period	Last period	Revenue sources
Subsidy from government	654,502.00	705,317.61	
Total	654,502.00	705,317.61	/

(38) Non-operating revenue:

Unit: RMB Currency: Renminbi

Item	Current period	Last period
Income from indemnity and penalty	17,370.00	70,055.00

Other	23,500.00	
Total	40,870.00	70,055.00

(39) Non-operation expenditure:

Unit: RMB Currency: Renminbi

Item	Current period	Last period
Donation	200,000.00	232,896.00
Penalty expenditure	40,000.00	5,370.41
Other	7,104.00	
Total	247,104.00	238,266.41

(40) Income tax:

Unit: RMB Currency: Renminbi

Item	Current period	Last period
Income tax	56,317.53	490,231.05
Total	56,317.53	490,231.05

7) Notes on accounting statements of the parent company:

(1) Accounts receivable:

A. Account age of accounts receivable

Unit: RMB Currency: Renminbi

Account age	Closing balance					Beginning balance				
	Book balance		Provision for bad debts		Net book amount	Book balance		Provision for bad debts		Net book amount
	Amount	Ratio (%)	Amount	Appropriated ratio (%)		Amount	Ratio (%)	Amount	Appropriated ratio (%)	
Within one year	17892494.84	33.33	8541600.83	5.00	9350894.01	21760496.67	37.81	10388125.19	5.00	11372371.48
1 to 2 years	17342731.25	32.30	4508907.50	10.00	12833823.75	17342731.25	30.13	4508907.50	10.00	12833823.75
2 to 3 years	9113397.83	16.98	2734019.35	30.00	6379378.48	9113397.83	15.84	2734019.35	30.00	6379378.48
Over 3 years	9336564.17	17.39	9336564.17	100.00	0	9336564.17	16.22	9336564.17	100.00	0
Total	53685188.09	100.00	25121091.85		28564096.24	57553189.92	100.00	26967616.21		30585573.71

B. Changes in bad debts provisions for accounts receivable

Unit: RMB Currency: Renminbi

Item	Beginning balance	Increase in current period	Decrease in current period			Closing balance
			Amount returned	Amount transferred out	Total	
Bad debt provision for accounts receivable	26,967,616.21		1,846,524.36		1,846,524.36	25,121,091.85

C. Debts of the top 5 accounts receivable

Unit: RMB Currency: Renminbi

	Closing balance		Beginning balance	
	Amount	Ratio (%)	Amount	Ratio (%)
Total and ratio of top 5 units in debt	45,731,213.26	85.18	47,307,024.62	82.22

D. Other receivables whose bad debts provision was full amount or over 40% appropriated.

Unit: RMB Currency: Renminbi

Unit name	Relations with the Company	Amount in arrear	Arrearage period	Arrearage cause	Amount appropriated for bad debts	Ratio (%) appropriated for bad debts	Cause of appropriating provision for bad debts
Shanghai Bicycle Factory Nanxiang Branch		4,858,868.14	Over 3 years	Closed down	4,858,868.14	100.00	Too long time, estimated recoverable amount is lower than book value
Shanghai Forever Trade Co., Ltd.		1,962,606.68	Over 3 years	In the process of liquidation	1,962,606.68	100.00	Too long time, estimated recoverable amount is lower than

							book value
Forever Hotel		1,890,395.00	Over 3 years	Closed down	1,890,395.00	100.00	Too long time, estimated recoverable amount is lower than book value
Other debtors		624,694.35	3 年以上	Closed down	624,694.35	100.00	Too long time, estimated recoverable amount is lower than book value
Total	/	9,336,564.17	/	/	9,336,564.17	/	/

E. There is no debts from shareholder units which hold 5% or above shares with voting power of the Company in accounts receivable during the report period.

(2) Other receivables:

A. Account age of other receivables

Unit: RMB Currency: Renminbi

Account age	Closing balance					Beginning balance				
	Book balance		Provision for bad debts		Net book amount	Book balance		Provision for bad debts		Net book amount
	Amount	Ratio (%)	Amount	Appropriated ratio (%)		Amount	Ratio (%)	Amount	Appropriated ratio (%)	
Within one year	40,238,300.75	45.98	2,011,915.04	5.00	38,226,385.71	3,150,044.92	6.47	157,502.25	5.00	2,992,542.67
1 to 2 years	2,750,682.65	3.14	275,068.27	10.00	2,475,614.39	1,428,682.65	2.93	142,868.27	10.00	1,285,814.38
2 to 3 years	408,682.65	0.47	217,439.42	30.00	191,243.23	35,000.00	0.07	10,500.00	30.00	24,500.00
Over 3 years	44,121,204.63	50.41	44,121,204.63			44,121,204.63	90.53	44,121,204.63	100.00	0
Total	87,518,870.68	100.00	46,625,627.35		40,893,243.33	48,734,932.20	100.00	44,432,075.15		4,302,857.05

B. Changes in bad debts provisions for other receivables

Unit: RMB Currency: Renminbi

Item	Beginning balance	Increase in current period	Decrease in current period			Closing balance
			Amount returned	Amount transferred out	Total	
Bad debt provision for other receivables	44,432,075.15	2,193,552.20				46,625,627.35

C. Debts of the top 5 of other receivables

Unit: RMB Currency: Renminbi

	Closing balance		Beginning balance	
	Amount	Ratio (%)	Amount	Ratio (%)
Total and ratio of top 5 units in debt	67,862,345.47	77.54	43,237,371.39	88.72

D. Other receivables whose bad debts provision was full amount or over 40% appropriated.

Unit: RMB Currency: Renminbi

Unit name	Relations with the Company	Amount in arrear	Arrearage period	Arrearage cause	Amount appropriated for bad debts	Ratio (%) appropriated for bad debts)	Cause of appropriating provision for bad debts
Asia ABC Bicycle Factory		33,818,827.37	Over 3 years	Temporary loan	33,818,827.37	100.00	Too long time, estimated recoverable amount is lower than book value
Other receivables in branch factory		4,716,840.87	Over 3 years	Temporary loan	4,716,840.87	100.00	Too long time, estimated recoverable amount is lower than book value
Prepaid for over 3 years		3,472,543.39	Over 3 years	Temporary loan	3,472,543.39	100.00	Too long time, estimated recoverable amount is lower than book value
Yongsheng Company		1,127,825.43	Over 3 years	Temporary loan	1,127,825.43	100.00	Too long time, estimated recoverable amount is lower than book value
Other debtors		985,167.57	Over 3 years	Temporary loan	985,167.57	100.00	Too long time, estimated recoverable

							amount is lower than book value
Total	/	44,121,204.63	/	/	44,121,204.63	/	/

E. There is no debts from shareholder units which hold 5% or above shares with voting power of the Company in other receivables during the report period.

(3) Long-term investments:

A. Classification of long-term investments

Unit: RMB Currency: Renminbi

Item	Beginning balance	Increase in current period	Decrease in current period	Closing balance
Stock investment	1,919,565.75			1,919,565.75
Investment in subsidiary companies				
Investment in joint ventures				
Investment in affiliated companies				
Other equity investments	220,845,368.11	1,309,016.53		222,154,384.64
Equity investment difference	15,265,595.85		964,302.90	14,301,292.95
Variance in price consolidated				
Total	238,030,529.71	1,309,016.53	964,302.90	238,375,243.34
Less: Provision for depreciation of long-term equity investment	11,346,221.91			11,346,221.91
Total of net amount of long-term equity investments	226,684,307.80	/	/	227,029,021.43

B. Long-term stock investment

Unit: RMB Currency: Renminbi

Name of invested company	Kind of share	Number of share	Ratio in the registered capital of invested company (%)	Initial investment cost	Amount of investment	Net book value	Market price at the end of the report period
No. 1 Department Store	Legal person share of listed company	12,012	<5%	47,865.75	47,865.75	47,865.75	
Changjiang Economic Union	Legal person share of non-listed company	416,000	<5%	708,400.00	708,400.00	708,400.00	
Hengtong Industry	Legal person share of non-listed company	10,000	<5%	18,300.00	18,300.00	18,300.00	
Yancheng Rubber Share	Legal person share of non-listed company	30,000	<5%	30,000.00	30,000.00	30,000.00	
Wuhan Steel Electricity Share	Legal person share of non-listed company	1,115,000	<5%	1,115,000.00	1,115,000.00	1,115,000.00	
Total	/		/	1,919,565.75		1,919,565.75	/

C. Other equity investments

Unit: RMB Currency: Renminbi

Name of invested unit	Ratio in the registered	Investment cost	Beginning balance	Increase or decrease in	Cash dividend distributed to	Closing balance	Accounting method
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	capital of invested company (%)			current period			
Shanghai Yongshi Mechanic Co., Ltd. (Note 1)	34.86	3,364,149.25	3,364,149.25			3,364,149.25	Cost method
Shanghai Forever Joint Sales Company (Note 2)	50.00	638,369.00	638,369.00			638,369.00	Cost method
Shanghai Yongche Industry Co., Ltd.		200,000.00	200,000.00			200,000.00	Cost method
Forever General Service Company		200,000.00	200,000.00			200,000.00	Cost method
Zhonglian Technological Development Manage Division		347,000.00	347,000.00			347,000.00	Cost method
Tertiary industry of factory trade union		200,000.00	200,000.00			200,000.00	Cost method
Technical school of Shanghai Light Industry Equipment Company		25,000.00	25,000.00			25,000.00	Cost method
Shanghai Forever Co., Ltd. Suzhou Branch	51.00	11,730,000.00	2,301,129.25	-923,926.08		1,377,203.17	Equity method
Shanghai Forever Real Estate Development Co., Ltd.	46.25	3,700,000.00	12,631,794.28	-35,387.80		12,596,406.48	Equity method
Shanghai Shenli Forever Bicycle Co., Ltd.	88.40	2,250,000.00	---			---	
Shanghai Forever Bicycle Distribution Co., Ltd.	89.19	3,300,000.00	---			---	
Shanghai Forever Import & Export Co., Ltd.	88.41	4,503,932.19	3,409,822.29	-678,717.93		2,731,104.36	Equity method
Shanghai Zhonglu Industry Co., Ltd.	90.00	195,295,469.20	187,792,251.13	2,947,048.34		190,739,299.47	Equity method
Shanghai Forever Mopeds Jiujiang Co., Ltd.	51.00	510,000	318,150.39			318,150.39	Equity method
Shanghai Yongshen Bicycle Co., Ltd.	45.00	31,309,303.66	9,417,702.52			9,417,702.52	Equity method
Shanghai Forever Trade Co., Ltd.	100.00	16,871,000.00	---			---	
Total	/	/	259,260,323.3	220,845,368.11	1,309,016.53		222,154,384.64

Name of invested unit	Depreciation provision	
	Beginning balance	Closing balance
Shanghai Forever Joint Sales Company (Note 2)	638,369.00	638,369.00
Shanghai Yongche Industry Co., Ltd.	200,000.00	200,000.00
Forever General Service Company	200,000.00	200,000.00
Zhonglian Technological Development Manage Division	347,000.00	347,000.00
Tertiary industry of factory trade union	200,000.00	200,000.00
Technical school of Shanghai Light Industry Equipment Company	25,000.00	25,000.00
Shanghai Forever Mopeds Jiujiang Co., Ltd.	318,150.39	318,150.39
Shanghai Yongshen Bicycle Co., Ltd.	9,417,702.52	9,417,702.52
Total	11,346,221.91	11,346,221.91

Note 1: The Company holds 34.86% equity interest in Shanghai Yongshi Mechanic Co., Ltd., but has no significant impacts on it based on the contracted management agreement, so use the cost method to make calculation.

Note 2: The Company holds 50% equity interest in the Shanghai Forever Joint Sale Co., Ltd., but has not participated the main operating management, has no substantial control right and has not made

significant impacts on the production operation. So the Company adopt cost method to make accounting and appropriate provision for depreciation of long-term investment for estimated depreciative part.

D. Equity investment difference

Unit: RMB Currency: Renminbi

Name of invested unit	Amount at the beginning of the report period	Beginning balance	Increase in current period	Decrease in current period	Amount amortized	Closing balance	Cause	Amortization life
Shanghai Forever Co., Ltd. Suzhou Branch	-1,970,457.50	-6,568,081.98			-328,401.12	-1,642,056.38	Note 1	10
Shanghai Zhonglu Industry Co., Ltd.	17,236,053.35	25,854,080.14			1,292,704.02	15,943,349.33	Note 2	10
Total	15,265,595.85	19,285,998.16			964,302.90	14,301,292.95	/	/

Note 1: In Jan. 1996 the Company acquired 51% equity interest in Shanghai Forever Co., Ltd. Suzhou Branch with RMB 11,730,000.00. This company's net assets then was RMB 35,878,592.11. For the difference of equity investment of RMB -6,568,081.98 the Company make amortization to it for 10 years according to the relevant regulations of the Ministry of Finance.

Note 2: In Sept. 2001 the Company acquired 90% equity interest respectively in the Shanghai Zhonglu Industrial Co., Ltd. and Shanghai Zhonglu Bowling Equipment Manufacture Co., Ltd. with the receivable of RMB 195,295,469.20. At that time the net assets of above two Companies is RMB 188,268,210.07, the equity investment difference generated is RMB 25,854,080.14. The Company according to the relevant regulations of the Ministry of Finance made amortization for 10 years. In 2002 the Shanghai Zhonglu Industry Co., Ltd. merged the Shanghai Zhonglu Bowling Equipment Manufacture Co., Ltd. The Company transferred the amortized value of the difference of equity investment to the Shanghai Bowling Equipment Manufacture Co., Ltd. to the difference of equity investment of Shanghai Zhonglu Industry Co., Ltd, and make amortization during remained years.

(4) Main business income and cost:

A. Main business according to industry

Unit: RMB Currency: Renminbi

Industry name	Current period			Last period		
	Business revenue	Business cost	Gross business profit	Business revenue	Business cost	Gross business profit
Industry	125,748,217.11	93,188,310.55	32,559,906.56	90,172,927.23	65,515,594.60	24,657,332.63
Incl.: Associative transactions						
Total	125,748,217.11	93,188,310.55	32,559,906.56	90,172,927.23	65,515,594.60	24,657,332.63
Offset internally						
Total	125,748,217.11	93,188,310.55	32,559,906.56	90,172,927.23	65,515,594.60	24,657,332.63

B. Main business according to product

Unit: RMB Currency: Renminbi

Product name	Current period			Last period		
	Business revenue	Business cost	Gross business profit	Business revenue	Business cost	Gross business profit
LPG moped	125,748,217.11	93,188,310.55	32,559,906.56	90,172,927.23	65,515,594.60	24,657,332.63
Incl.: Associative transactions						
Total	125,748,217.11	93,188,310.55	32,559,906.56	90,172,927.23	65,515,594.60	24,657,332.63
Offset internally						
Total	125,748,217.11	93,188,310.55	32,559,906.56	90,172,927.23	65,515,594.60	24,657,332.63

C. Main business according to region

Unit: RMB Currency: Renminbi

Region name	Current period			Last period		
	Business revenue	Business cost	Gross business profit	Business revenue	Business cost	Gross business profit



Shanghai	125,748,217.11	93,188,310.55	32,559,906.56	90,172,927.23	65,515,594.60	24,657,332.63
Incl.: Associative transactions						
Total	125,748,217.11	93,188,310.55	32,559,906.56	90,172,927.23	65,515,594.60	24,657,332.63
Offset internally						
Total	125,748,217.11	93,188,310.55	32,559,906.56	90,172,927.23	65,515,594.60	24,657,332.63

(5) Earnings from investments:

Unit: RMB Currency: Renminbi

Item	Current period	Last period
Incl.: earnings recognized according to equity method	1,309,016.53	-198,152.46
Profit from invested unit calculated according to cost method		221,400.00
Difference amortization of long-term equity investment	-964,302.90	-964,302.90
Total	344,713.63	-941,055.36

8) Associative parties and associative transactions

(1) Basic information on associative parties with control relations:

Name of associative party	Registered address	Main business	Relations with the Company	Economy nature	Legal representative
Shanghai Zhonglu (Group) Co., Ltd.	888 Kangsshan Rd., Nanhui, Shanghai	Development on high-tech project, information and biotechnology, domestic trade (except specially stipulated), investment management, development of real estate and realty management, cultural diffusion, planting, fish breeding and poultry breeding, and processing of subsidiary agricultural products	Controlling shareholder	Limited liability company	Chen Rong
Shanghai Forever Real Estate Development Co., Ltd	Room 131 No. 8 Xiushan Road, Industrial Park, Chongming	Development and operation on real estate, realty management	Controlled subsidiary	Limited liability company	Yan aimin
Shanghai Forever Co., Ltd. Suzhou Branch	No. 25 Huanshan Road, Shangfangshan Hill, suburban of Suzhou	Produce and sell bicycles	Controlled subsidiary	Limited liability company	Gu Juexin
Shanghai Forever Import & Export Co., Ltd.	Room 110 No.125 Liyang Road	Export various kinds of bicycles, motorcycles and body building equipment	Controlled subsidiary	Limited liability company	Gu Juexin
Shanghai Forever Bicycle Distribution Co., Ltd.	Room 274 No.17 Kangshi Road, Camdrove Town, Nanhui District, Shanghai	Sales for bicycle, moped, motorcycle and spare parts	Controlled subsidiary	Limited liability company	Yan Yiming
Shanghai Shenli Forever Bicycle Co., Ltd.	Jinze Town, Qingpu District	Manufacture and process bicycles and mopeds, office supplies, knitting cotton goods, body building equipment, hardware & electric appliances, general merchandise, grain and oils.	Controlled subsidiary	Limited liability company	Cai Yiwei
Shanghai Zhonglu Industry Co., Ltd.	Room 409 No. 2502 Hunan Road	Bowling equipment, bowling chute, bowling, bowling bottle, wood floor, leather shoe, clothing manufacturing and processing.	Controlled subsidiary	Limited liability company	Li Xingming
Shanghai Zhonglu Forever Bowling Equipment Installation Co., Ltd.	Beishou, Sanzao Town, Nanhui	Installation and maintenance of bowling equipment	Controlled subsidiary	Limited liability company	Shen Jianguo

Shanghai Forever Trade Co., Ltd.	Room 4200 Comprehensive Bulding No.2, F Area, Waigaoqiao Bonded Zone	International trade, trade in bonded area	Controlled subsidiary	Limited liability company	Ye Shunqiang
Shanghai Forever Mopeds Jiujiang Co., Ltd.	Jiujiang, Jiangxi	Produce and sell mopeds with brand	Controlled subsidiary	Limited liability company	
Shanghai Zhonglu Forever Bicycle Distribution Co., Ltd.	No.1 Building No. 1568 Hunan Highway, Pudong New Area	Bicycle, baby carrier, moped, motorcycle and spare parts, ironware and electric appliances.	Controlled subsidiary	Limited liability company	Wang Qilong
Shanghai Forever Automatic Table of Chess & Card Sales Co., Ltd.	No.8, Lane No. 188, Fanghua Road, Pudong	Sales of automatic table of chess & card and spare parts	Controlled subsidiary	Limited liability company	Fan Wei
Shanghai Zhonglu Forever Plastic Cement Engineering Co., Ltd.	Seat No.132 5th Floor No.3370 Zhenbei Road, Putuo District	Plastic cement athletics field, basketball court tennis court and working for the plastic cement floor of various kinds of factories	Controlled subsidiary	Limited liability company	Yan aimin
Shanghai Zhonglu Forever Technical Service Co., Ltd.	8F No.380 Tianmuzhong Road	Retail and wholesale of bicycle, electric bicycle, special bicycle and parts and related products, and maintenance service	Wholly-own subsidiary	Limited liability company	Lu Baimin
Shanghai Forever Electric Bicycle Distribution Co., Ltd.	No.1578 Zhaogaoqiao Road, Pudong New Area	Sales of bicycle, electric bicycle, baby carrier and parts, hardware and general merchandise	Wholly-own subsidiary	Limited liability company	Cai Yiwei

(2) Registered capitals of associative parties with control relations and their changes:

Unit: RMB'0000 Currency: Renminbi

Name of associative party	Beginning balance of registered capital	Increase or decrease of registered capital	Closing balance of registered capital
Shanghai Zhonglu (Group) Co., Ltd.	30,000.00		30,000.00
Shanghai Forever Real Estate Development Co., Ltd	800.00		800.00
Shanghai Forever Co., Ltd. Suzhou Branch	2,300.00		2,300.00
Shanghai Forever Import & Export Co., Ltd.	509.00		509.00
Shanghai Forever Bicycle Distribution Co., Ltd.	370.00		370.00
Shanghai Shenli Forever Bicycle Co., Ltd.	250.00		250.00
Shanghai Zhonglu Industry Co., Ltd.	12,580.00		12,580.00
Shanghai Zhonglu Forever Bowling Equipment Installation Co., Ltd.	500.00		500.00
Shanghai Forever Trade Co., Ltd.	170.00		170.00
Shanghai Forever Mopeds Jiujiang Co., Ltd.	100.00		100.00
Shanghai Zhonglu Forever Bicycle Distribution Co., Ltd.	100.00		100.00
Shanghai Forever Automatic Table of Chess & Card Sales Co., Ltd.	50.00		50.00
Shanghai Zhonglu Forever Plastic Cement Engineering Co., Ltd.	300.00		300.00
Shanghai Zhonglu Forever Technical Service Co., Ltd.	50.00		50.00
Shanghai Forever Electric Bicycle Distribution Co., Ltd.	200.00		200.00

(3) Shares held by associative parties with control relations and their changes:

Unit: RMB'0000 Currency: Renminbi

Name of associative party	Beginning balance of shares held by associative party	Beginning ratio of shares held by associative party (%)	Increase or decrease of shares held by associative party	Ratio (%) of increase or decrease of shares held by	Closing balance of shares held by associative party	Closing ratio of shares held by associative party (%)
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				associative party		
Shanghai Zhonglu (Group) Co., Ltd.	14,364.00	54.07			14,364.00	54.07
Shanghai Forever Real Estate Development Co., Ltd	800.00	100.00			800.00	100.00
Shanghai Forever Co., Ltd. Suzhou Branch	1,173.00	51.00			1,173.00	51.00
Shanghai Forever Import & Export Co., Ltd.	450.00	88.40			450.00	88.40
Shanghai Forever Bicycle Distribution Co., Ltd.	330.00	89.20			330.00	89.20
Shanghai Shenli Forever Bicycle Co., Ltd.	225.00	90.00			225.00	90.00
Shanghai Zhonglu Industry Co., Ltd.	11,322.00	90.00			11,322.00	90.00
Shanghai Zhonglu Forever Bowling Equipment Installation Co., Ltd.	450.00	90.00			450.00	90.00
Shanghai Forever Trade Co., Ltd.	170.00	100.00			170.00	100.00
Shanghai Forever Mopeds Jiujiang Co., Ltd.	51.00	51.00			51.00	51.00
Shanghai Zhonglu Forever Bicycle Distribution Co., Ltd.	90.00	90.00			90.00	90.00
Shanghai Forever Automatic Table of Chess & Card Sales Co., Ltd.	45.00	90.00			45.00	90.00
Shanghai Zhonglu Forever Plastic Cement Engineering Co., Ltd.	270.00	90.00			270.00	90.00
Shanghai Zhonglu Forever Technical Service Co., Ltd.	50.00	100.00			50.00	100.00
Shanghai Forever Electric Bicycle Distribution Co., Ltd.	200.00	100.00			200.00	100.00

(4) Basic information on associative parties without control relations:

Name of associative party	Relations with the Company
Chen Rong	Indirect controlling shareholder
Shanghai Bicycle Factory	Shareholder's subsidiary
Shanghai Forever Bicycle Manufacturing Co., Ltd.	Shareholder's subsidiary
Shanghai Yongche Industry General Company	Affiliated company
Shanghai Yongshen Bicycle Co., Ltd.	Affiliated company
Shanghai Yongqing Motor Repair Shop	Affiliated company
Shanghai Zhonglu Movie & Television Co., Ltd.	Controlled subsidiary of parent company
Shanghai Zhonglu-Xineng Bowling Equipment Co., Ltd.	Controlled subsidiary of parent company

(5) Associative transactions

A. Associative transactions of purchasing goods and accepting services

Unit: RMB Currency: Renminbi

Associative party	Contents of associative transactions	Pricing principle of associative transaction	Current period		Same period of last year	
			Amount	Ratio in amount of transactions of the same kind (%)	Amount	Ratio in amount of transactions of the same kind (%)
Shanghai Bicycle Factory	Purchase goods from associative party	Negotiate the price with reference to market price	6,497,631.64	6.10	6,252.26	0.01
Shanghai Forever Bicycle Manufacturing Co., Ltd.	Purchase goods from associative party	Negotiate the price with reference to market price	64,570,227.71	20.19	30,352,808.31	11.50

B. Other associative transactions

(A) The Company's controlling shareholder Shanghai Zhonglu (Group) Co., Ltd. and the controlling shareholder's legal representative Mr. Chen Rong together made guarantee for the subsidiary Shanghai Zhonglu Industrial Co., Ltd.'s loan of RMB 40,000,000

(B) The Company's controlling shareholder Shanghai Zhonglu (Group) Co., Ltd. made guarantee for the subsidiary Shanghai Zhonglu Industrial Co., Ltd.'s loan of RMB 38,753,203 in this year.

(6) Receivables and payables of associative parties:

Unit: RMB Currency: Renminbi

Name of receivables and payables	Associative party	Amount at the beginning of the report period	Amount at the end of the report period
Accounts receivable	Shanghai Bicycle Factory	1,113,688.84	1,657,332.94

Accounts receivable	Shanghai Forever Bicycle Manufacturing Co., Ltd.	15,526,419.55	15,568,905.81
Accounts receivable	Shanghai Forever Trade Co., Ltd.	1,962,606.68	1,962,606.68
Accounts receivable	Shanghai Yongche Industry General Company	16,007.16	16,007.16
Accounts receivable	Shanghai Forever Mopeds Jiujiang Co., Ltd.	14,800.00	14,800.00
Other receivables	Shanghai Bicycle Factory	1,405,518.00	1,357,980.87
Other receivables	Shanghai Yongshen Bicycle Co., Ltd.	1,127,825.43	1,127,825.43
Advanced payment	Shanghai Forever Bicycle Manufacturing Co., Ltd.	0	244,742.00
Accounts payable	Shanghai Bicycle Factory	4,777,523.49	2,358,057.20
Accounts payable	Shanghai Forever Bicycle Manufacturing Co., Ltd.	21,455,301.22	18,308,084.72
Other payables	Shanghai Zhonglu (Group) Co., Ltd.	3,535.37	1,200.00
Advance receipts	Shanghai Yongche Industry General Company	40,300.00	40,300.00

## 9) Contingent events:

## (1) Contingent liabilities from commercial acceptances already discounted and their financial influence:

None

## (2) Contingent liabilities from pending actions and their financial influence:

In March 2003, American Brubswick Bowling & Table Tennis Company and Zhonglu Industry Company applied to Hong Kong International Arbitration Center for arbitration on the Contract of Supply & Global Distribution signed between the two parties and lodged claims on breaching of contract and infringement of patent to each other respectively. Until the reporting day the Hong Kong International Arbitration Center has not completed the inquisition for the above case.

## (3) Contingent liabilities from debt guarantees for other units and their financial influence:

None

## (4) Other contingent liabilities and their financial influence:

None

## 10) Commitments

## 1) Relevant financial expenditure not yet fully implemented

According to the reply in the Nanjichan (2003) No. 618 File issued by the Development Planning Committee of Nanhui District, Shanghai, the government agreed to building a central company with the building area of 160,000 square meter. For the first-stage construction of the central factory, the investment estimate for civilwork is RMB 28,400,000, for equipment, RMB 23,950,000, totally RMB 52,350,000. Until the end of current period, RMB 29,530,000 has been paid for central factory construction.

## 2) Other significant commitments in finance:

(1) The Company made a loan of RMB 12,000,000 from Agricultural Bank of China Shanghai Branch Nanhui Subbranch with a loan term from November 19, 2004 till November 18, 2005 by pledging its real estate in No.560 Zhenda Road Shanghai, containing fixed assets and houses with an original book value of RMB 12,752,029.68 and intangible assets and lands with an original book value of RMB 1,960,000.00.

(2) The Company's subsidiary Shanghai Zhonglu Industry Co., Ltd. used its house property in 13th floor of Shanghai Securities Mansion at 528 Pudongnan Rd., Pudong New Area, Shanghai, which contains fixed assets and houses with an original book value of RMB 30,754,082.96, as mortgage to borrow RMB 13,000,000 from the Construction Bank Shanghai Branch Yangpu Subbranch with the period from February 6, 2005 to January 19, 2006.

Shanghai Zhonglu Industrial Co., Ltd., subsidiary of the Company made a loan of RMB 25,000,000 from China Minsheng Banking Corp., LTD. Shanghai Branch with a loan term from May 17, 2005 till May 11, 2006 by pledging its real estate at No.888 Highway 6, South of Xuanqiao Town, Shanghai, containing fixed assets and houses with an original book value of RMB 17,256,278.06 and intangible assets and lands with an original book value of RMB 16,663,589.40.

11) Events after balance sheet

None

12) Other important events

None

## 8. Documents for Reference

1. Interim Report with autographical signature of the Chairman of the Board
2. Financial report signed and stamped by the legal representative, principal in charge for accounting work, and principal of accounting department of the Company
3. All the files disclosed publicly in the journalism appointed by the China Securities Regulatory Committee during the report period
4. Text of Articles of Association of the Company
5. Relevant information

Chairman of the Board: Gu Juexin  
Shanghai Forever Co., Ltd.  
August 18, 2005