

上海氯碱化工股份有限公司
2005 年半年度报告

600618

HALF ANNUAL REPORT 2005 Of
Shanghai Chlor-Alkali Chemical Co., Ltd.

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第一节 重要提示

公司董事会及董事声明：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。

独立董事戎光道先生出国考察，没有出席董事会，也没有委托其他董事表决。其余董事没有声明对本报告内容的真实性、准确性、完整性无法保证或存在异议。

公司负责人董事长王强先生、主管会计负责人总经理李军先生、财务总监常清先生及会计机构负责人财务部经理李宁女士声明：保证年度报告中财务会计报告的真实、完整。

公司半年度财务报告未经审计。

第二节 公司基本情况

一、公司法定中文名称：上海氯碱化工股份有限公司

公司法定英文名称：SHANGHAI CHLOR - ALKALI CHEMICAL CO. , LTD.

缩 写：SCAC

二、公司股票上市交易所： 上海证券交易所

股票简称： 氯碱化工 氯碱 B 股

股票代码： 600618 (A 股) 900908 (B 股)

三、公司注册地址和办公地址：上海市龙吴路 4747 号

邮政编码：200241

电 话：021 - 64340000

网 址：www.scacc.com

四、公司法定代表人：王 强

五、公司董事会秘书：许沛文

董事会证券事务代表：沈琴怡

联系地址：上海市龙吴路 4747 号

电 话：021-64342640

传 真：021-64341341

邮政编码：200241

电子信箱：shxpw@21cn.com

shqy0227@126.com

六、公司选定的信息披露报纸：

上海证券报、中国证券报、香港商报

登载半年度报告的中国证监会指定网址：<http://www.sse.com.cn>

公司半年度报告备置地点：董事会秘书室市区办事处

联系地址：上海市浦东南路 1271 号 17 楼

电 话：021-58829587

传 真：021-58829587

邮政编码：200122

七、其他有关资料：

公司首次注册日期：1992 年 7 月 4 日

变更注册登记日期：2000 年 9 月 11 日因送股变更注册资本

2001 年 1 月 11 日变更法定代表人、总经理等

2005 年 7 月 27 日变更法定代表人

公司首次注册地点：上海市龙吴路 4747 号

企业法人营业执照注册号：企股沪总字第 019017 号

税务登记号码：310043607200180

公司聘请的境内审计会计师事务所名称：

上海立信长江会计师事务所有限公司

办公地址：上海市南京东路 61 号 4 楼

公司聘请的境外审计会计师事务所名称：浩华会计师事务所

办公地址：香港湾仔港湾道 18 号中环广场 20 楼

八、主要财务数据和指标：

1、报告期公司主要财务数据和指标说明

单位：元 币种：人民币

项目	本报告期末	上年度期末	本报告期末 比年初数增减(%)
流动资产	1,518,958,333.20	1,750,671,292.62	-13.23
流动负债	1,587,183,135.59	1,724,411,591.39	-7.96
总资产	5,031,821,970.27	5,181,043,076.08	-2.88
股东权益(不含少数股东权益)	2,874,661,255.31	2,919,459,709.28	-1.53
每股净资产	2.4686	2.51	-1.65
调整后的每股净资产	2.0553	2.09	-1.66
	报告期(1-6月)	上年同期	本报告期比上年 同期增减(%)
净利润	-40,443,173.53	75,240,958.05	-153.75
扣除非经常性损益后的净利润	-40,438,247.10	77,196,150.15	-152.38
每股收益	-0.03473	0.06461	-153.75
全面摊薄净资产收益率(%)	-1.4069	2.5624	-154.91
加权平均净资产收益率(%)	-1.3960	2.5952	-153.79
经营活动产生的现金流量净额	53,724,440.71	127,054,414.47	-57.72

2、非经常性损益项目情况

单位：元 币种：人民币

非经常性损益项目	金额
处置长期股权投资、固定资产、在建工程、无形资产、其他长期资产产生的损益	-7,238.39
营业外收支	2,311.96
合计	-4,926.43

3、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	5.5354	5.4926	0.13665	0.13665
营业利润	-1.5219	-1.5101	-0.03757	-0.03757
净利润	-1.4069	-1.3960	-0.03473	-0.03473
扣除非经常性损益后的净利润	-1.4067	-1.3958	-0.03473	-0.03473

第三节 股本变动和主要股东持股情况

一、报告期内公司股本结构无变动。

二、股东情况

1、报告期末股东总数 83143 户,其中 A 股股东数 20022 户,B 股股东数 63121 户。

2、持有本公司 5% (含 5%) 以上股份的股东为上海华谊(集团)公司,股份类别为国家股,报告期内未发生股份变动及所持股份的质押或冻结情况。

3、报告期末公司前十名股东持股情况

单位:股

序号	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)	质押或冻结的股份数量	股东性质(国有股东或外资股东)
1	上海华谊(集团)公司		611,510,647	52.51	未流通	无	国有股东
2	宁波市金港信托投资有限责任公司		6,050,000	0.52	未流通	无	法人股东
3	上海氯碱化工综合公司		5,685,576	0.49	未流通	无	法人股东
4	申银万国证券股份有限公司		5,057,833	0.43	未流通	未知	法人股东
5	上海天原(集团)有限公司		4,713,697	0.40	未流通	无	法人股东
6	DEBORAH WANG LIN		3,523,000	0.30	已流通	未知	外资股东
7	DAIWA SECURITIES SMBC HONG KONG LTD - CLIENTS ACCOUNT		3,140,500	0.27	已流通	未知	外资股东
8	上海氯碱化工房产开发经营公司		3,049,200	0.26	未流通	无	法人股东
9	上海市公积金管理中心		3,049,200	0.26	未流通	未知	法人股东
10	招商局发展有限公司		2,970,000	0.255	已流通	未知	外资股东

前十名股东关联关系或一致行动的说明:

本公司与 1、5、8 之间有关联关系,其中 8 为本公司参股子公司,上海华谊(集团)公司是国有股授权经营单位,上海天原(集团)有限公司是国有股受托管理单位。其余的法人股与流通股股东中未知其有关联关系。

4、报告期末公司前十名流通股股东持股情况

单位:股

序号	股东名称(全称)	期末持有流通股的数量	种类(A、B、H 股或其它)
1	DEBORAH WANG LIN	3,523,000	B 股
2	DAIWA SECURITIES SMBC HONG KONG LTD - CLIENTS ACCOUNT	3,140,500	B 股
3	招商局发展有限公司	2,970,000	B 股
4	NAITO SECURITIES CO., LTD.	2,554,304	B 股
5	张焱 ZHANGYAN	2,387,762	B 股
6	MEESPIERSON ASIA LTDASIA LTD.	2,321,241	B 股
7	王明龙	1,528,800	B 股

8	郁玉生	1,359,300	B 股
9	TOYO SECURITIES ASIA LTD. A/C CLIENT	1,205,270	B 股
10	上海国际信托投资公司	1,165,472	B 股

前十名流通股股东关联关系或一致行动的说明：

本公司未知前十名流通股股东之间是否存在关联关系或一致行动人。

前十名流通股股东与前十名股东之间关联关系或一致行动的说明：

本公司未发现前十名流通股股东和前十名股东之间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。

5、报告期内公司控股股东及实际控制人没有发生变更。

第四节 董事、监事、高级管理人员情况

一、报告期内公司董事、监事、高级管理人员未发生持有公司股票变动情况。

二、报告期内公司董事、监事、高级管理人员新聘或解聘情况。

1、2005年3月7日，本公司召开2004年年度股东大会，选举顾立立先生为公司第五届监事会监事。

2、2005年3月16日，本公司召开第五届监事会第七次会议，选举顾立立先生为本公司第五届监事会副监事长。

3、2005年4月28日，原公司董事长周波先生因工作调动，去市政府工作。根据《中华人民共和国公司法》和上海证券交易所《股票上市规则》相关规定，不能再担任本公司董事、董事长职务，故他本人提出辞去本公司董事、董事长职务。该事项已于2005年4月29日公告，详见刊登在上海证券交易所网站及《中国证券报》、《上海证券报》和《香港商报》上的公告。

4、2005年6月13日，本公司召开2005年度第一次临时股东大会，选举王强先生为本公司第五届董事会董事。

5、2005年6月13日，本公司召开第五届董事会第四次会议，选举王强先生为本公司第五届董事会董事长。

第五节 管理层讨论与分析

一、报告期内公司整体经营情况的讨论和分析

报告期内，公司实现主营业务收入 19.67 亿元，比去年同期减少了 3.81 亿元，下降了 16.24%；实现净利润-4,044 万元，比去年同期减少了 11,568 万元，下降了 153.75%，出现了生产经营性亏损。造成公司生产经营性亏损的主要原因是市场因素和原料及能源价格上涨因素。

1、**聚氯乙烯行业过度发展，使市场格局发生变化。**2005 年上半年，全国聚氯乙烯装置产能扩展速度远远高于表现需求量的增长速度，尤其是电石法聚氯乙烯超常规扩展，不仅迅速填补了市场需求缺口，而且使聚氯乙烯市场价格下跌幅度近 30%。

2、**主要原料乙烯、二氯乙烷价格震荡波动和电、工业盐等原材料价格的提高，使公司主营业务成本进一步上升。**2005 年上半年，因电、工业盐价格上涨使公司主营业务成本上升 5000 余万元。

3、**2005 年 4 月份安排计划停车检修，当月亏损 3400 万元。**

4、**大力扩展烧碱出口市场份额，抑制亏损额的扩大。**在聚氯乙烯产品亏损的严峻形势下，公司努力抓住另一主导产品烧碱的市场机遇，大力扩展烧碱出口的市场份额。2005 年上半年度烧碱出口量与 2004 年同期相比增长 34.66%，同时也带来了烧碱国内市场的稳定。报告期内，烧碱毛利率达到 35.64%，与 2004 年同期相比增长 44.5%，抑制了亏损额的扩大。

二、报告期内公司经营情况

（一）公司主营业务范围

公司属基础化工原料行业，主营聚氯乙烯、烧碱、氯系列等基本化工原料及加工产品。

（二）公司生产经营状况

1、**主营业务收入、主营业务利润、净利润、现金及现金等价物净增加额同比增减变化**

单位：万元 币种：人民币

项 目	2005 年 1-6 月	2004 年 1-6 月	增减比例（%）
主营业务收入	196,726.73	234,859.94	-16.24
主营业务利润	15,912.30	35,393.37	-55.04
净利润	-4044.32	7,524.10	-153.75
现金及现金等价物净增加额	-19,703.84	-9,963.52	-97.76

说明：

(1) 主营业务收入下降原因是：上半年公司进行生产大修以及公司主导产品聚氯乙烯售价回落所致。

(2) 主营业务利润、净利润下降原因是：公司生产装置大修，导致亏损；公司产品聚氯乙烯价格下跌，且主要原料乙烯价格及主要能源价格有较大幅度上升，导致公司毛利下降。

(3) 现金及现金等价物净增加额下降原因是：合并范围发生变化；主导产品盈利能力下降；偿还7万吨聚氯乙烯专用树脂国债项目等贷款。

2、总资产、股东权益与期初比较变化

单位：万元 币种：人民币

项 目	2005 年 6 月 30 日	2004 年 6 月 30 日	增减比例 (%)
总资产	503,182.20	521,996.10	-3.60
股东权益	287,466.13	293,636.00	-2.10

(三) 占报告期主营业务收入或主营业务利润 10%以上的行业或产品情况

1、占报告期主营业务收入 10%以上的产品情况

单位：元 币种：人民币

项目	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 (%)
聚氯乙烯	1,173,223,825.38	1,225,010,137.24	-4.41	-10.96	9.03	-19.14
烧碱	340,166,251.24	218,944,928.37	35.64	44.45	10.74	19.59
氯产品	285,760,970.33	206,761,549.76	27.65	2.61	9.02	-4.25
粒料及其他	191,373,747.02	175,829,753.27	8.12	-62.99	-62.82	-0.40
其中：关联交易	23,257,468.08	21,387,567.65	8.04	-33.05	-24.44	-10.48
合计	1,967,267,325.89	1,803,288,900.56	8.34	-16.24	-9.10	-7.20
关联交易的定价原则	以市场价格为关联交易定价原则。					
关联交易必要性、持续性的说明	公司与关联方的交易，是公司日常生产和经营的补充与需要，属经常性。					

其中：报告期内上市公司向控股股东及其子公司销售产品的关联交易总金额为 15770.30 万元。

2、占报告期主营业务利润 10% 以上的产品情况 单位：元 币种：人民币

项目	主营业务利润	比例
聚氯乙烯	-54,521,124.62	-34.26%
烧碱	120,349,676.59	75.63%
氯产品	78,285,690.46	49.20%

(四) 报告期内利润构成、主营业务结构、主营业务盈利能力发生重大变化情况

单位：万元 币种：人民币

年 度	主营业务利润		占主营业务利润比例 (%)		毛利率 (%)	
	聚氯乙烯	烧碱	聚氯乙烯	烧碱	聚氯乙烯	烧碱
2004.06.30	18,749.61	3,652.10	58.97	10.32	14.73	16.05
2005.06.30	-5,452.11	12,034.97	-34.26	75.63	-4.41	35.64

说明：

1、公司主导产品聚氯乙烯的原材料价格大幅度上升，而销售价格却大幅下跌，使聚氯乙烯产品的毛利率为负值，导致其主营业务利润为负值，使其在公司利润总额中所占的比例由去年同期的 58.97% 下降为 -34.26%，使利润构成与去年同期相比发生重大变化。

2、公司另一主导产品烧碱的市场销售价格稳步上升，毛利率有较大幅度提高，导致其主营业务利润大幅上升，使其在公司利润总额中所占的比例由去年同期的 10.32% 上升为 75.63%，使利润构成与去年同期相比发生重大变化。

(五) 报告期内投资收益对公司净利润影响达到 10% 以上的参股公司的经营情况及业绩 单位：万元 币种：人民币

公司名称	业务性质	主要产品或服务	净利润	参股公司贡献的投资收益	占上市公司净利润的比重 (%)
上海达凯塑胶有限公司	塑胶片膜及其深加工	主要经营范围为生产塑胶片膜及深加工产品、各类信用卡卡基基材的生产销售	613.70	552.33	-13.66

(六) 经营中的问题与困难：

1、宏观调控滞后效应产生影响。受国家宏观经济调控的影响，北方建材行业及聚氯乙烯下游企业开工率不足，使聚氯乙烯市场需求增长变缓。

2、聚氯乙烯利润空间日益狭窄。预计 2005 年年底，聚氯乙烯装置规模达 900 万

吨,使国内聚氯乙烯市场出现由自产与进口补充的格局向产大于需、以出口求平衡的格局转变。这种格局的变化,加上国内电石法聚氯乙烯占总量比重的进一步提高,将达70%以上,这些情况会对聚氯乙烯价格带来较大的负面影响,对乙烯法聚氯乙烯生产厂的影响更大些。

3、资金短缺财务费用过高。投资集中,资金需求量大,通过银行融资使财务费用大幅上升;投资收益时间长,短期内很难有现金回报。

为此,下半年度公司将根据市场变化,以效益最大化为目标,经济生产,精心操作,调整生产格局;销售贴近市场,扬长避短;提高生产运行质量,节能降耗;以财务为中心,加强费用控制;加强投资管理。尽最大的努力力争第三季度减亏。

三、公司报告期内投资情况

(一)报告期内公司未募集资金,也无报告期之前募集资金的使用延续到报告期内

(二)非募集资金投资的重大项目、项目进度及收益情况

1、20万吨/年聚碳酸酯项目现正处于设备安装阶段。其中,掺混项目设备安装基本完成,第一条生产线已于2005年6月底完成试运行,另外三条线与一条试验线已完成设备安装,正在调试。详情请见刊登在《中国证券报》、《上海证券报》、《香港商报》(以下所指公司刊登的公告均为这三报)上的2005年2月1日公司2004年年度报告。

2、24万吨/年异氰酸酯合资项目建设进展顺利,热电联供装置、固体码头建设按进度计划平稳进行。报告期内,公司于2005年2月18日完成出资2999.231万元人民币和356.22万美元。目前该项目本公司已累计出资9097.5007万元人民币和1157.715万美元,占本公司应出资额的65%。详情请见(同上)。

3、上海化工区聚氯乙烯项目一期工程,设计、土建施工已全面收尾,现正处于设备安装阶段。该项目配套工程——华胜自备码头项目于2005年3月18日举行开工典礼。报告期内已完成引堤施工、引桥沉桩、钻孔灌注桩施工,截止2005年7月14日,已完成码头沉桩和施工图设计工作。目前,正在对陆域部分进行破土施工。报告期内上海化工区聚氯乙烯项目一期工程及码头配套项目已完成增资8900万元,本公司按44%投资比例增资3916万元,并于2005年4月15日将资金出资到位。目前已经完成验资及工商变更等手续。详情请见2005年2月1日公司2004年年度报告、2005年4月26日公司2005年第一季度报告。

4、宁夏西部聚氯乙烯有限公司年产12万吨聚氯乙烯、10万吨烧碱项目于2005年

6月16日上午10:30正式送电,一次开车成功,这标志着本公司西部战略取得了阶段性成果。预计该公司年内可实现利润5000万元。详情请见(同上)。

5、5万吨/年聚氯乙烯技术改造项目初步设计2005年4月获审批,2005年5月完成桩基施工,6月完成桩基养护工作。目前正进行设计招标和土建施工图外审工作。详情请见(同上)。

6、上海华鸿管廊有限公司漕吴乙烯管线项目闵行区绿化动迁工作于2005年5月开始,浦江镇居民动迁工作仍在进行之中。目前,上海华鸿管廊有限公司正抓紧各方协调,力争2005年9月底完成该项目建设。2005年7月18日,上海华鸿管廊有限公司正式揭牌,这标志着上海华鸿管廊有限公司开始全面走向市场化运作。详情请见(同上)。

7、4万吨/年PPVC扩产项目各项前期准备工作已全面铺开,2005年5月完成卫生预评价,6月完成职业病危害预评价和安全预评价送审稿。目前正进行现场环境监察、关键设备技术交流以及旧厂房、设施的改造和搬迁工作。详情请见2005年4月26日公司2005年第一季度报告。

8、由上海新天原化工物流有限公司承建的为拜耳(上海)聚合物有限公司10万吨/年聚碳酸酯产品提供配套物流服务的(拜耳)PC仓储和包装项目总投资13575.05万元,资本金4072万元。其中:仓储项目总投资6946.56万元,资本金2084万元;包装项目总投资6628.49万元,资本金1988万元,计划于2006年9月建成。为此,上海新天原化工物流有限公司需增资3900万元。经各股东方协商一致,本公司增资2900万元,上海氯碱化工贸易有限公司增资1000万元。增资后本公司持股84.9%,上海氯碱化工贸易有限公司持股25.4%,吴泾经济发展公司持股5.3%,上海氯碱创业有限公司持股4.9%。2005年3月,本公司出资1450万元,该笔投资已经完成验资手续。报告期内,PC仓储项目正式进入与拜耳公司的仓储服务期,现正在进行该项目可行性报告编制工作。PC包装项目已完成项目审批、服务合同谈判、主要设备招标、详细设计协调和项目审批优化等工作。目前,该项目正进行施工前期准备工作。

四、下一报告期期末的净利润与上年同期相比发生变动情况

今年上半年公司实现净利润-4044万元。下半年,由于公司主导产品聚氯乙烯面临着原料乙烯价格上涨的确定性和产品售价上涨的不确定性,因此,下一报告期期末净利润将仍然为负值。

第六节 重要事项

一、公司治理未有与中国证监会有关文件的要求存在差异及整改情况。

二、公司未有以前期间拟定，在报告期内实施的利润分配方案。公司中期不进行利润分配及公积金转增股本。

三、报告期内发生及以前期间发生但持续到报告期的重大诉讼、仲裁事项

关于本公司控股子公司上海氯碱化工贸易有限公司所涉及的 2005 年年初进口化工原料诈骗案，本报告期内有新的进展。其中：

1、诉上海子能企业发展有限公司 588 万元买卖合同纠纷案，上海市第一中级人民法院于 2005 年 4 月 13 日公开开庭。被告经法院合法传唤未到庭，法院依法进行了缺席审理。上海氯碱化工贸易有限公司因与被告其他的交易关系应退还被告 1934165 元，且被告已于起诉后退还上海氯碱化工贸易有限公司 30 万元，因此，上海氯碱化工贸易有限公司愿意在诉讼标的中作抵扣，诉讼标的改为 3645835 元。经审理，法院判决如下：1) 原告上海氯碱化工贸易有限公司与被告上海子能企业发展有限公司于 2004 年 11 月 30 日签订的《购销合同》解除；2) 被告上海子能企业发展有限公司于判决生效之日起十日内退还原告上海氯碱化工贸易有限公司货款人民币 3645835 元。如不服本判决，可在判决送达之日起十五日内，向上海市第一中级人民法院递交上诉状，并可上诉于上海市高级人民法院。该案已审理终结。

2、诉上海子能经贸有限公司、上海子能企业发展有限公司、上海子能高科股份有限公司、上海子能制药有限公司及自然人 1300 万元买卖合同纠纷案，上海市第一中级人民法院于 2005 年 7 月 13 日开庭审理，被告上海子能高科股份有限公司、上海子能制药有限公司到庭应诉。由于该案被告没有全部出庭，法院无法查清事实，因此，未当庭判决，该案仍在审理之中。

四、报告期内重大资产收购、出售及资产重组事项

(一) 报告期内未发生重大资产收购、出售及资产重组事项

(二) 以前期间发生但持续到报告期的重大资产收购、出售及资产重组事项进展情况

1、关于注销上海天原集团天原化工有限公司独立法人资格事项，2005 年 1 月 10 日完成产权交易工作，1 月 18 日刊登注销公告，4 月 29 日出具清算报告，6 月 14 日完成工商注销。详情请见 2005 年 2 月 1 日公司 2004 年年度报告。

2、上海氯碱化工房产经营开发公司股权转让、上海助剂厂有限公司股权转让、上海天原物流有限公司股权转让等相关事项所涉及的工商变更手续均已经在 2005 年 2~3 月份完成。详情请见（同上）。

3、上海氯威塑料有限公司股权转让事项，因涉及外资股权转让，因此，实施周期比较长。报送外资委审批的工作也正在进行之中。详情请见（同上）。

五、报告期内重大关联交易事项

（一）购销商品提供劳务发生的关联交易

1、购买商品、接受劳务的重大关联交易

单位：万元 币种：人民币

关联方	关联交易内容	关联交易定价原则	关联交易金额
上海天原国际贸易有限公司	原材料	按市场价定价	8,515.63
上海氯碱创业有限公司	原材料		934.70

2、销售商品、提供劳务的重大关联交易

单位：万元 币种：人民币

关联方	关联交易内容	关联交易定价原则	关联交易金额
上海氯碱创业有限公司	产品	按市场价定价	2,926.72
上海三爱富新材料有限公司	产品		1,248.36
上海天原国际贸易有限公司	产品		11,461.54
上海百士高塑胶有限公司	产品		28.76
上海氯威塑料有限公司	产品		104.40

关联交易的必要性和持续性说明：

公司与关联方的交易，是公司因购买原材料、销售产品的经常性经营活动需要，以及因非经营性资产和非核心业务的剥离所产生的支付劳务、托管业务等支出。这些是公司与其控股股东及其部分下属企业间专业化协作、优势互补的必要补充，今后这种关联交易还将延续。

（二）报告期内公司无重大资产收购、出售的关联交易事项发生。

（三）公司与关联方存在债权、债务事项

单位：万元 币种：人民币

关联方	关联关系	向关联方提供资金			关联方向上市公司提供资金	
		发生额	余额	收取的资金占费用的金额	发生额	余额
上海天原（集团）有限公司	母公司	27.68	31,311.14		0.00	0.00
合计	/	27.68	31,311.14	/	0.00	0.00

报告期内上市公司向控股股东及其子公司提供资金的发生额 27.68 万元人民币，上市公司向控股股东及其子公司提供资金的余额 31,311.14 万元人民币。

(四) 公司与关联方存在担保事项

单位：万元 币种：人民币

担保对象名称	发生日期(协议签署日)	担保金额 (人民币万元)	担保类型	担保期	是否履行完毕
吴泾化工有限公司	1998.09	2,684.44	保证担保	2005.12	否
上海焦化有限公司	1995.05	15,228.42	保证担保	2023.10	否
上海焦化有限公司	1995.11	337.31	保证担保	2005.11	否
合计：	18,250.17				

六、报告期内重大合同及其履行情况

(一) 报告期内公司发生或以前期间发生但延续到报告期的重大托管事项

2005年7月1日起，公司开始执行委托上海华鸿管廊有限公司经营管理本公司生产部管线所所有管辖管线及相应的管线维护设备的协议，公司每年需支付专项委托管理费246万元。

(二) 报告期内公司未发生或以前期间发生但延续到报告期的承包、租赁其他公司资产或其他公司托管、承包、租赁公司资产的事项。

(三) 报告期内发生或以前期间发生但延续到报告期的担保事项

单位：万元 币种：人民币

公司对外担保情况(不包括对控股子公司的担保)						
担保对象名称	发生日期	担保金额	担保类型	担保期限	是否履行完毕	是否为关联方担保
吴泾化工有限公司	1998.09	2,684.44	保证担保	2005.12	否	是
上海焦化有限公司	1995.05	15,228.42	保证担保	2023.10	否	是
上海焦化有限公司	1995.11	337.31	保证担保	2005.11	否	是
上海亨斯迈聚氨酯有限公司	2003.11	1,293.20	保证担保	2015.11	否	否
上海亨斯迈聚氨酯有限公司	2004.09	1,293.20	保证担保	2015.11	否	否
上海亨斯迈聚氨酯有限公司	2005.01	2,793.20	保证担保	2015.11	否	否
上海联恒异氰酸脂有限公司	2003.12	124.15	保证担保	2014.12	否	否
上海联恒异氰酸脂有限公司	2004.08	2,952.45	保证担保	2014.12	否	否
上海联恒异氰酸脂有限公司	2005.01	6,964.52	保证担保	2014.12	否	否
宁夏西部聚氯乙烯有限公司	2005.01	10,200.00	保证担保	2011.01	否	否
上海赫克力士化工有限公司	2005.04	1,000.00	保证担保	2005.10	否	是
报告期内担保发生额合计		20,957.72				
报告期内担保余额合计		44,870.89				
公司对控股子公司的担保情况						
上海华鸿管廊有限公司	2004.12	4200.00	保证担保	2009.12	否	否

报告期内对控股子公司担保发生额合计	0.00
报告期末对控股子公司担保余额合计	4,200.00
公司担保总额情况（包括对控股子公司的担保）	
担保总额	49,070.89
担保总额占公司净资产比例	17.07%
公司违规担保情况	
为控股股东及公司持股50%以下的其他关联方提供担保的金额	26,620.73
直接或间接为资产负债率超过70%的被担保对象提供的债务担保金额	0.00 上海氯碱化工股份有限公司
担保总额超过净资产50%部分的金额	0.00
违规担保总额	19,250.17

关于违规担保的说明：

1、公司为关联方上海焦化有限公司、吴泾化工有限公司提供担保均因历史原因形成。报告期内，公司严格遵照《关于上市公司为他人提供担保有关问题的通知》要求，大幅减少因历史原因已形成的关联担保，不增加新的关联担保，以降低担保风险。截止本报告期末公司关联担保同比下 31.10 %。

2、本公司为上海联恒异氰酸酯有限公司、上海亨斯迈聚氨酯有限公司等中外合资企业担保是根据 2003 年初签订的合资合同规定的股东出资按出资比例履行担保之义务。

3、本公司为宁夏西部聚氯乙烯有限公司提供担保，是根据合资合同规定的股东出资按出资比例履行担保之义务，且经股东大会审议通过。

(四)在报告期内未发生或以前期间发生但延续到报告期的重大委托他人进行现金资产管理的事项

七、控股股东及其子公司占用公司资金的情况

截止到本报告期末，公司控股股东上海天原（集团）有限公司累计欠款数为 31,311.14 万元。

八、独立董事对公司累计和当期对外担保情况、违规担保情况、执行前述规定情况的专项说明及独立意见

(一)关于大股东欠款。独立董事认为：氯碱化工对清偿大股东资金占用的工作是积极有效的。

1、大股东欠款的成因，是大股东为支持上市公司发展，提高上市公司的资产质量，受让了氯碱公司非经营性资产、不实资产和债权等而形成的。近几年，大股东通过现金归还和优质资产置换，归还欠款 3.6 亿元。其中现金归还 2.6 亿元，而其中的 1.4 亿元为举债还债，使欠款总额从 6.8 亿元下降到 3.17 亿元。现在，大股东已无资金及合

适的资产在短时间内进一步归还欠款。

2、今年，公司在去年的基础上，继续努力探索以股抵债解决大股东资金占用的思路，编制了以股抵债方案。近期又结合股权分置改革，推进大股东资金占用这个历史遗留问题的解决。

(二) 关于担保。独立董事认为：

1、报告期内，氯碱公司严格遵照《关于上市公司为他人提供担保有关问题的通知》要求，大幅减少因历史原因已形成的关联担保，不增加新的关联担保，以降低担保风险。截止本报告期末，氯碱公司对外担保总额为 49070.89 万元，其中关联担保折合人民币 19250.17 万元，同比下降 31.10%。

2、公司以出资比例为限，为上海亨斯迈聚氨酯有限公司等合资公司贷款提供担保，均在股东大会批准的授信额度内，其运行程序符合《上海证券交易所股票上市规则》、《公司章程》等相关规定。

独立董事：戎光道、汤期庆、杨国平、潘飞

九、承诺事项

(一) 公司或持有公司股份 5%以上(含 5%)的股东在报告期内未有承诺事项发生。

(二) 以前期间发生的承诺事项在报告期内的履行情况

1、关于大股东欠款：公司董事会承诺：2003 年将大股东欠款降到 1 亿元的正常合理水平内。报告期内，公司积极探索以股抵债解决大股东欠款的途径，但由于涉及宏观层面的沟通和协调，包括试点企业批准的节奏控制，公司已结合股权分置改革，正在编制与其一并解决的综合方案。

2、关于担保：报告期内，氯碱公司严格遵照《关于上市公司为他人提供担保有关问题的通知》要求，大幅减少因历史原因已形成的关联担保，不增加新的关联担保，以降低担保风险。截止本报告期末，氯碱公司对外担保总额为 49070.89 万元，其中关联担保折合人民币 19250.17 万元，同比下降 31.10%。

现有关联担保：

(1) 为上海焦化有限公司向银行贷款提供信用担保欧元 1473.01 万元，挪威克郎 273.48 万元，分别于 2023 年 10 月和 2005 年 11 月到期。

(2) 为吴泾化工有限公司向银行贷款提供信用担保美元 324.34 万元，于 2005 年 12 月到期。

上海焦化有限公司、吴泾化工有限公司也为本公司提供反担保。

十、报告期内公司、公司董事会及董事未有受中国证监会稽查、中国证监会行政处罚、通报批评、被其他行政管理部门处罚及证券交易所公开谴责的情况。

十一、公司已披露的重要事项的索引

公告编号	披露时间	公告名称	披露报刊
定期公告	2005 年 2 月 1 日	上海氯碱化工股份有限公司 2004 年年度报告摘要	上海证券报 C23、24 版 中国证券报 C35、37 版 香港商报第 A8 版
临 2005-001	2005 年 2 月 1 日	上海氯碱化工股份有限公司董事会五届三次会议决议暨召开 2004 年度股东大会(年会)的公告	上海证券报 C24 版 中国证券报 C37 版 香港商报第 A8 版
临 2005-002	2005 年 2 月 1 日	上海氯碱化工股份有限公司第五届监事会第六次会议决议公告	上海证券报 C24 版 中国证券报 C37 版 香港商报第 A8 版
临 2005-003	2005 年 2 月 1 日	上海氯碱化工股份有限公司关联交易公告	上海证券报 C24 版 中国证券报 C37 版 香港商报第 A8 版
临 2005-004	2005 年 3 月 7 日	上海氯碱化工股份有限公司关于 2004 年年度股东大会决议的公告	上海证券报 C43 版 中国证券报 C3 版 香港商报 A5 版
临 2005-005	2005 年 3 月 18 日	上海氯碱化工股份有限公司第五届监事会第七次会议决议公告	上海证券报 C23 版 中国证券报 C3 版 香港商报 A11 版
定期公告	2005 年 4 月 26 日	上海氯碱化工股份有限公司 2005 年第一季度报告	上海证券报 C27 版 中国证券报 C47 版 香港商报 A10 版
临 2005-006	2005 年 4 月 26 日	上海氯碱化工股份有限公司董事会五届五次临时会议决议公告	上海证券报 C27 版 中国证券报 C47 版 香港商报 A10 版
临 2005-007	2005 年 4 月 26 日	上海氯碱化工股份有限公司 2005 年上半年业绩将大幅下降的公告	上海证券报 C27 版 中国证券报 C47 版 香港商报 A10 版
临 2005-008	2005 年 4 月 29 日	上海氯碱化工股份有限公司董事会关于重要人事变动的公告	上海证券报 C42 版 中国证券报 C43 版 香港商报 A15 版
临 2005-009	2005 年 5 月 11 日	上海氯碱化工股份有限公司董事会五届六次临时会议决议暨召开 2005 年度第一次临时股东大会的公告	上海证券报 C7 版 中国证券报 C6 版 香港商报 A3 版
临 2005-010	2005 年 6 月 14 日	上海氯碱化工股份有限公司关于 2005 年度第一次临时股东大会决议的公告	上海证券报 C6 版 中国证券报 C3 版 香港商报 A6 版
临 2005-011	2005 年 6 月 14 日	上海氯碱化工股份有限公司董事会五届四次会议决议公告	上海证券报 C6 版 中国证券报 C3 版 香港商报 A6 版
临 2005-012	2005 年 7 月 7 日	上海氯碱化工股份有限公司 2005 年上半年度预亏公告	上海证券报 A15 版 中国证券报 B07 版 香港商报 B7 版

第七节 财务报告（未经审计）

资产负债表（1）

编制单位：上海氯碱化工股份有限公司

2005 年 6 月 30 日

单位：元 币种：人民币

资 产	行次	合并数		母公司	
		期末数	期初数	期末数	期初数
流动资产：					
货币资金	1	301,291,182.97	498,329,540.03	227,730,344.79	416,649,878.67
短期投资	2	3,000,000.00	3,000,000.00		
应收票据	3	115,804,719.67	152,770,466.27	112,590,947.72	137,125,291.99
应收股利	4				
应收利息	5				
应收账款	6	308,621,755.50	166,055,928.75	280,961,410.69	172,613,463.70
其他应收款	7	360,861,554.06	339,983,979.55	344,820,938.82	332,830,102.57
预付货款	8	51,660,607.00	57,075,626.38	42,804,347.73	49,224,139.66
应收补贴款	9				
存货	10	377,662,832.71	533,184,364.59	328,436,851.93	410,071,619.47
待摊费用	11	55,681.29	271,387.05	43,504.38	
待处理流动资产净损失					
一年内到期的长期债权投资	21				
其他流动资产	24				
流动资产合计	30	1,518,958,333.20	1,750,671,292.62	1,337,388,346.06	1,518,514,496.06
长期投资：					
长期股权投资	31	761,462,107.23	683,458,671.81	1,018,875,906.90	998,166,310.95
长期债权投资	32	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
长期投资合计	33	762,462,107.23	684,458,671.81	1,019,875,906.90	999,166,310.95
其中：合并价差（贷差以“-”号表示合并报表填列）	33-1	-3,005,188.75	2,841,168.48		
其中：股权投资差额（贷差以“-”号表示合并报表填列）	33-2				
固定资产：					
固定资产原价	38	4,324,987,231.19	4,376,245,007.67	4,083,845,947.93	3,763,181,432.92
减：累计折旧	39	2,534,973,204.87	2,463,122,141.40	2,400,125,558.14	2,196,024,194.44
固定资产净值	40	1,790,014,026.32	1,913,122,866.27	1,683,720,389.79	1,567,157,238.48
减：固定资产减值准备	41	66,958,101.04	66,977,306.14	51,318,359.53	46,682,995.38
固定资产净额	42	1,723,055,925.28	1,846,145,560.13	1,632,402,030.26	1,520,474,243.10
工程物资	43	27,912,685.79	37,079,162.31	23,206,516.79	37,079,162.31
在建工程	44	994,253,351.63	858,821,520.62	862,293,873.18	759,006,401.38
固定资产清理	45	1,925,850.39		1,925,850.39	
固定资产合计	50	2,747,147,813.09	2,742,046,243.06	2,519,828,270.62	2,316,559,806.79
无形资产及其他资产：					
无形资产	51	2,510,660.47	3,040,479.31	752,459.47	771,734.11
长期待摊费用	52	743,056.28	826,389.28	743,056.28	826,389.28
其他长期资产	53				
无形资产及其他资产合计	55	3,253,716.75	3,866,868.59	1,495,515.75	1,598,123.39
递延税项：					
递延税款借项	56				
资产合计	60	5,031,821,970.27	5,181,043,076.08	4,878,588,039.33	4,835,838,737.19

资 产 负 债 表 (2)

编制单位：上海氯碱化工股份有限公司

2005 年 6 月 30 日

单位：元 币种：人民币

负债及股东权益	行次	合并数		母公司	
		期末数	期初数	期末数	期初数
流动负债：					
短期借款	61	1,292,325,150.00	1,094,838,500.00	1,251,025,150.00	915,538,500.00
应付票据	62	7,699,260.93	31,330,343.78	3,099,260.93	16,500,000.00
应付帐款	63	114,796,696.24	185,983,076.19	119,798,392.86	175,910,826.14
预收货款	64	64,443,321.30	97,094,197.90	68,801,234.41	90,453,447.32
应付工资	65	6,858,234.20	2,751,354.61	6,458,234.20	
应付福利费	66	-3,004,509.67	1,620,300.53	-3,704,235.90	
应付股利	67	1,428,296.90	1,437,373.30	1,428,296.90	1,428,296.90
应交税金	68	58,460.55	-13,877,312.65	-1,177,154.02	-10,032,056.49
其他应交款	69	682,813.94	104,034.49	676,085.49	32,356.19
其他应付款	70	92,291,440.22	62,489,489.73	75,386,108.22	44,912,230.24
预提费用	71	9,603,970.98	2,320,233.51	7,231,491.98	2,320,074.69
预计负债	72				
一年内到期的长期负债	73	0.00	258,320,000.00	0.00	258,320,000.00
其他流动负债	74				
流动负债合计	80	1,587,183,135.59	1,724,411,591.39	1,529,022,865.07	1,495,383,674.99
长期负债：					
长期借款	81	443,270,000.00	393,270,000.00	383,270,000.00	333,270,000.00
应付债券	82				
长期应付款	83	26,026,345.12	26,026,345.12	26,026,345.12	26,026,345.12
专项应付款	84	57,340,000.00	57,340,000.00	57,120,000.00	57,120,000.00
其他长期负债	86				
长期负债合计	87	526,636,345.12	476,636,345.12	466,416,345.12	416,416,345.12
递延税项：					
递延税款贷项	88				
负债合计	90	2,113,819,480.71	2,201,047,936.51	1,995,439,210.19	1,911,800,020.11
少数股东权益(合并报表填列)	90-1	43,341,234.25	60,535,430.29		
股东权益：					
股本	91	1,164,483,067.00	1,164,483,067.00	1,164,483,067.00	1,164,483,067.00
减：已归还投资	92				
股本净额	93	1,164,483,067.00	1,164,483,067.00	1,164,483,067.00	1,164,483,067.00
资本公积	94	1,564,473,025.55	1,564,473,025.55	1,564,473,025.55	1,564,473,025.55
盈余公积	95	132,427,354.77	132,972,913.19	128,725,952.65	128,725,952.65
其中：法定公益金	96	10,175,274.92	10,448,354.13	8,324,873.86	8,324,873.86
减：未确认的投资损失(合并报表填列)	96-1				
未分配利润(未弥补亏损以“-”号表示)	97	13,277,807.99	57,530,703.51	25,466,783.94	66,356,671.88
外币报表折算差额(合并报表填列)	97-1				
股东权益合计	99	2,874,661,255.31	2,919,459,709.25	2,883,148,829.14	2,924,038,717.08
负债及股东权益合计	100	5,031,821,970.27	5,181,043,076.05	4,878,588,039.33	4,835,838,737.19

法定代表人：王 强

主管会计负责人：李 军

会计机构负责人：李 宁

制表人：汤晓东

利润及利润分配表

编制单位：上海氯碱化工股份有限公司

2005 年 1-6 月

单位：元 币种：人民币

项 目	行次	合并		母公司	
		本期实际数	上年同期数	本期实际数	上年同期数
一、主营业务收入	1	1,967,267,325.89	2,348,599,406.45	1,816,865,647.99	1,706,070,533.49
减：主营业务成本	2	1,803,288,900.56	1,983,834,745.87	1,670,740,212.51	1,390,074,717.63
主营业务税金及附加	3	4,855,425.30	10,830,987.99	4,358,839.49	9,489,187.85
二、主营业务利润（亏损以“-”号表示）	4	159,123,000.03	353,933,672.59	141,766,595.99	306,506,628.01
加：其他业务利润（亏损以“-”号表示）	5	6,702,544.31	-797,742.52	6,635,028.19	-780,372.87
减：营业费用	6	47,077,884.08	47,603,026.17	43,429,030.21	40,224,650.94
管理费用	7	120,980,419.22	193,303,010.25	114,935,320.73	149,929,897.70
财务费用	8	41,516,799.61	26,327,872.44	41,747,735.20	21,676,273.57
三、营业利润（亏损以“-”号表示）	9	-43,749,558.57	85,902,021.21	-51,710,461.96	93,895,432.93
加：投资收益（损失以“-”号表示损失）	10	-2,333,494.71	2,593,192.34	3,601,156.24	-3,658,473.86
补贴收入	11	0.00	587,910.00	0.00	587,910.00
营业外收入	12	4,110.04	1,271,676.59	3,555.20	1,242,084.11
减：营业外支出	13	11,421.93	4,248,276.89	0.00	4,073,725.36
四、利润总额（亏损以“-”号表示）	14	-46,090,365.17	86,106,523.25	-48,105,750.52	87,993,227.82
减：所得税	15	-6,377,691.09	13,375,492.28	-7,215,862.58	13,198,984.18
少数股东损益（合并报表填列、亏损以“-”号填列）	16	730,499.45	-2,509,927.08		
加：未确认投资损失（合并报表填列）	17				
五、净利润（亏损以“-”号表示）	18	-40,443,173.53	75,240,958.05	-40,889,887.94	74,794,243.64
加：年初未分配利润（未弥补亏损以“-”号填列）	19	53,720,981.52	14,148,741.02	66,356,671.88	25,495,313.70
其他转入	20				
六、可供分配的利润（亏损以“-”号填列）	21	13,277,807.99	89,389,699.07	25,466,783.94	100,289,557.34
减：提取法定盈余公积	22				
提取法定公益金	23				
提取职工奖福基金	24				
七、可供股东分配的利润（亏损以“-”号填列）	25	13,277,807.99	89,389,699.07	25,466,783.94	100,289,557.34
减：应付优先股股利	26				
提取任意盈余公积	27				
应付普通股股利	28				
转作股本的普通股股利	29				
八、未分配利润（未弥补亏损以“-”号填列）	30	13,277,807.99	89,389,699.07	25,466,783.94	100,289,557.34

法定代表人：王 强

主管会计负责人：李 军

会计机构负责人：李 宁

制表人：汤晓东

现金流量表(1)

编制单位：上海氯碱化工股份有限公司

2005 年 6 月 30 日

单位：元 币种：人民币

项 目	行次	金额	
		合并数	母公司
一、经营活动产生的现金流量：			
销售商品、提供劳务收到的现金	1	2,256,027,078.36	2,118,643,246.98
收到的税费返还	2	6,456,706.67	6,450,306.65
收到的其他与经营活动有关的现金	3	5,750,559.73	7,183,820.17
经营活动现金流入小计	5	2,268,234,344.76	2,132,277,373.80
购买商品、接受劳务支付的现金	6	1,956,554,720.76	1,846,544,201.92
支付给职工以及为职工支付的现金	7	93,861,780.56	83,721,538.39
支付的各项税费	8	38,530,618.89	34,405,577.49
支付的其他与经营活动有关的现金	9	125,562,783.84	117,243,271.70
经营活动现金流出小计	10	2,214,509,904.05	2,081,914,589.50
经营活动产生的现金流量净额	11	53,724,440.71	50,362,784.30
二、投资活动产生的现金流量：			
收回投资所收到的现金	12	71,238,787.06	71,238,787.06
取得投资收益所收到的现金	13	1,422,675.06	1,423,750.50
处置固定资产、无形资产和其他长期资产而收回的现金净额	14	11,000.00	11,000.00
收到的其他与投资活动有关的现金	15	0.00	
投资活动现金流入小计	16	72,672,462.12	72,673,537.56
购建固定资产、无形资产和其他长期资产所支付的现金	18	141,379,310.66	99,162,498.03
投资所支付的现金	19	128,847,746.14	120,134,858.30
支付的其他与投资活动有关的现金	20	0.00	0.00
投资活动现金流出小计	22	270,227,056.80	219,297,356.33
投资活动产生的现金流量净额	25	-197,554,594.68	-146,623,818.77
三、筹资活动产生的现金流量：			
吸收投资所收到的现金	26		
其中：子公司吸收少数股东权益性投资收到的现金	27		
借款所收到的现金	28	1,208,745,650.00	1,166,145,650.00
收到的其他与筹资活动有关的现金	29		
筹资活动现金流入小计	30	1,208,745,650.00	1,166,145,650.00
偿还债务所支付的现金	31	1,219,586,250.00	1,216,986,250.00
分配股利或利润或偿付利息所支付的现金	32	42,268,434.22	41,718,730.54
其中：子公司支付少数股东的股利	33	0.00	
支付的其他与筹资活动有关的现金	34		
其中：子公司依法减资支付给少数股东的现金	35		
筹资活动现金流出小计	36	1,261,854,684.22	1,258,704,980.54
筹资活动产生的现金流量净额	40	-53,109,034.22	-92,559,330.54
四、汇率变动对现金的影响额	41	-99,168.87	-99,168.87
五、现金及现金等价物净增加额	42	-197,038,357.06	-188,919,533.88

现金流量表(2)

编制单位：上海氯碱化工股份有限公司

2005 年 6 月 30 日

单位：元 币种：人民币

补充资料	行次	金额	
		合并数	母公司
1.将净利润调节为经营活动的现金流量：			
净利润（亏损“-”号填列）	43	-40,443,173.53	-40,889,887.94
加：少数股东损益（亏损以“-”号填列）	44	730,499.45	
减：未确认的投资损失	45		
加：计提的资产减值准备	46		
固定资产折旧	47	130,118,363.44	123,021,985.51
无形资产摊销	48	529,818.84	19,274.64
长期待摊费用摊销	49	83,333.00	83,333.00
待摊费用的减少（减：增加）	50	-38,504.38	-43,504.38
预提费用的增加（减：减少）	51	7,283,896.29	4,911,417.29
处置固定资产、无形资产和其他长期资产的损失（减：收益）	52	0.00	0.00
固定资产报废损失	53	9,491.65	
财务费用	54	42,155,405.82	42,114,778.54
投资损失（减：收益）	55	2,333,494.71	-3,601,156.24
递延税款贷项（减：借项）	56	0.00	
存货的减少（减：增加）	57	101,065,199.39	70,275,237.97
经营性应收项目的减少（减：增加）	58	-82,765,805.59	-71,453,502.92
经营性应付项目的增加（减：减少）	59	-107,337,578.38	-74,075,191.17
其他	60		
经营活动产生的现金流量净额	65	53,724,440.71	50,362,784.30
2.不涉及现金收支的投资和筹资活动：			
债务转为资本	66		
一年内到期的可转换公司债券	67		
融资租入固定资产	68		
3.现金及现金等价物净增加情况：			
现金的期末余额	69	301,291,182.97	227,730,344.79
减：现金的期初余额	70	498,329,540.03	416,649,878.67
现金等价物的期末余额	71		
减：现金等价物的期初余额	72		
现金及现金等价物净增加额	73	-197,038,357.06	-188,919,533.88

法定代表人：王 强

主管会计负责人：李 军

会计机构负责人：李 宁

制表人：汤晓东

资产减值准备明细表

编制单位：上海氯碱化工股份有限公司

2005 年 6 月 30 日

单位：元 币种：人民币

项 目	行次	年初余额	本年增加数	本年转出数	年末余额
一、坏帐准备合计	1	227,600,723.19	1,413,826.17	15,564,166.46	213,450,382.90
其中：应收帐款	2	70,503,158.73	1,413,826.17	15,324,778.70	56,592,206.20
其他应收款	3	157,097,564.46		239,387.76	156,858,176.70
二、短期投资跌价准备合计	4	2,000,000.00		0.00	2,000,000.00
其中：股票投资	5	0.00		0.00	0.00
债券投资	6	0.00		0.00	0.00
三、存货跌价准备合计	7	33,549,378.83	278,210.27	647,499.43	33,180,089.67
其中：库存商品	8	709,299.90		0.00	709,299.90
原材料	9	32,470,727.54	278,148.04	278,148.04	32,470,727.54
四、长期投资减值准备合计	10	13,290,000.00		0.00	13,290,000.00
其中：长期股权投资	11	13,290,000.00		0.00	13,290,000.00
长期债权投资	12	0.00		0.00	0.00
五、固定资产减值准备合计	13	66,977,306.14	4,654,569.25	4,673,774.35	66,958,101.04
其中：房屋、建筑物	14	16,969,065.90	3,304.28	3,304.28	16,969,065.90
机器设备	15	3,652,855.78	3,652,855.78	3,662,775.34	3,642,936.22
六、无形资产减值准备	16	77,092,759.75			77,092,759.75
其中：专利权	17	0.00			0.00
商标权	18	0.00			0.00
七、在建工程减值准备	19	7,692,115.00			7,692,115.00
八、委托贷款减值准备	20	0.00			0.00
九、总 计	21	428,202,282.91	6,346,605.69	20,885,440.24	413,663,448.36

法定代表人：王 强 主管会计负责人：李 军 会计机构负责人：李 宁 制表人：汤晓东

上海氯碱化工股份有限公司 2005 年中期会计报表附注

一、公司简介：

上海氯碱化工股份有限公司（以下简称公司）经上海市经委沪经企[1992]307 号文批准于 1992 年 7 月由上海氯碱总厂改制为上海氯碱化工股份有限公司。1992 年 8 月 20 日发行 B 股上市，1992 年 11 月 13 日发行 A 股上市。股票代码：A 股 600618，B 股 900908。公司注册地为：上海市龙吴路 4747 号。公司行业类别：化工类。公司经营范围：生产烧碱、氯、氟和聚氯乙烯系列化工原料及加工产品；化工机械设备，生产用化学品、原辅、包装材料、货物运输，销售自产产品（涉及许可经营的凭许可证经营）。

二、公司采用的主要会计政策、会计估计和合并会计报表的编制方法：

（一）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。

（二）会计年度：

公历 1 月 1 日至 12 月 31 日止。

（三）记帐本位币：

采用人民币为记帐本位币。

（四）记帐基础和计价原则：

以权责发生制为记帐基础，以历史成本为计价原则。

（五）外币业务核算方法：

外币业务按业务发生当日中国人民银行公布的市场汇价（中间价）作为折算汇率，折合成人民币记帐，期末外币帐户余额按期末市场汇价（中间价）折合成人民币金额进行调整。外币专门借款帐户期末折算差额，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。

（六）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〈合并会计报表暂行规定〉的通知》，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。

(七) 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。

(八) 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。

按投资类别计算并确定计提的跌价损失准备。如某项短期投资占整个短期投资 10% 以上，则按单项投资为基础计提跌价损失准备。

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。

(九) 坏帐核算方法：

1、坏帐的确认标准：

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。

2、坏帐损失的核算方法：

采用备抵法核算，按账龄分析法并结合个别认定法估算坏帐损失。

3、坏帐准备的计提方法和计提比例：

应收帐款：除个别认定外其余按账龄分析法计提；

其他应收款：按个别认定法计提。

应收帐款坏帐准备按账龄分析法计提的比例：

账 龄

计提比例

一年以内	5%
一至二年	20%
二至三年	50%
三年以上	100%

(十) 存货核算方法：

1、 存货分类为：

原辅材料、包装物、低值易耗品、在产品、产成品、材料成本差异、物资采购、库存商品（包括库存的外购商品、自制商品产品、自制半成品等）、委托加工物资等。

2、 取得和发出的计价方法：

日常核算取得时除辅助材料按计划价格核算外，其他均按实际成本核算，月末终了，按发出辅助材料的计划成本计算应摊销的成本差异，换算为实际成本；存货发出时原材料采用加权平均法，产成品按先进先出法计价。

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；

包装物采用分次摊销法。

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。

存货跌价准备按存货分类项目计提。

(十一) 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。

长期投资减值准备按个别投资项目计算确定。

（十二）委托贷款核算方法：

企业对委托金融机构贷出的款项，按实际委托的贷款金额入帐。期末，按照委托贷款合同规定的利率计提应收利息。如果计提的利息到期不能收回，则停止计息并冲回原已计提的利息。

中期末及年末，对委托贷款可收回金额低于贷款本金的差额，计提委托贷款减值准备。

（十三）固定资产计价和折旧方法：

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、其他设备；

3、固定资产的取得计价：

日常核算中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，如果融资租入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。

类 别	预计使用年限	净残值率	年折旧率
房屋建筑物	20 - 40 年	4%	2.4% - 4.8%
机器设备	8 - 15 年	4%	6.4% - 12%
运输设备	8 年	4%	12%
其他设备	5 - 10 年	4%	9.6% - 19.2%

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,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,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、剩余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。

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。

(十四) 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。

(十五) 无形资产核算方法:

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。

(十六) 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。

(十七) 借款费用:

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:

按季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：

每一会计期间利息的资本化金额 = 至当期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。

(十八) 预计负债：

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。

(十九) 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。

(二十) 所得税的会计处理方法：

采用应付税款法。

(二十一) 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。合营企业不纳入合并报表。

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。

三、税项：

(一) 公司主要税种和税率为：

税 种	税 率
增值税	13%、17%
营业税	3%、5%
所得税	15%、33%

(二) 税负减免：

经上海市科学技术委员会沪科合(2002)第009号“关于核准2002年度第二批上海市高新技术企业的通知”核准，公司按上海市高新技术企业享受所得税税率15%的税收优惠；

子公司上海天原物流有限公司根据上海市地方税务局宝山区分局宝税城字第2031029号文，2001年至2002年免征所得税，2003年至2004年所得税减半按15%计征。

四、控股子公司及合营企业：

(一) 公司所控制的所有子公司、合营企业情况及其合并范围：

(单位：人民币万元)

被投资单位全称	业务性质	注册资本	经营范围	母公司实际投资额	母公司控股比例	合并范围内控股比例	是否合并	备注
上海氯碱化工贸易有限公司	商业	10,000.00	化工贸易	9,000.00	90%	90%	是	
苏州姑苏经济发展总公司	商业	1,000.00	停车场	800.00	80%	80%	是	
苏州坝基桥旅游车停车场(注1)	服务	74.30	停车场	---	---	100%	是	
上海天原(集团)高分子材料有限公司	工业	3,200.00	化工产品	2,880.00	90%	90%	否	
上海金源自来水有限公司	工业	900.00	自来水	---	---	77.78%	是	
上海达凯塑胶有限公司	工业	4,347.76	塑胶制品	3,912.98	90%	90%	是	
上海华鸿管廊有限公司	工业	4,000.00	管道运输	2,800.00	70%	70%	是	
上海新天原化工物流有限公司	服务	2,940.00	仓储运输	1,700	57.82%	82.99%	是	
上海氯威塑料有限公司	工业	4,351.00	化工产品	2,175.50	50%	50%	否	合营企业

注1：苏州坝基桥旅游车停车场由子公司苏州姑苏经济发展总公司投资100%；

(二) 未纳入合并会计报表范围的子公司：

- 1、本年度未纳入合并会计报表范围的子公司共 1 家，详见上述附注四（一）。
- 2、未纳入合并范围的原因系该 1 家子公司加总的资产总额、销售收入总额和本期净利润占母子公司资产总额、销售收入和母公司净利润的比例均在 10% 以下。

3、对财务状况及经营成果的影响：

未纳入合并会计报表范围的子公司加总的资产总额为 32,000,000.00 元，占母、子公司资产总额的 0.61%。

（三）本年度合并报表范围的变更情况：

1、与上年相比本年新增合并单位 1 家，原因为：

上海新天原化工物流有限公司：公司增加对新天原物流的投资，从而使其成为子公司而纳入公司的合并报表范围。

2、与上年相比本年减少合并单位 2 家，原因为：

（1）上海助剂厂有限公司：公司已将所持有的 85.13% 的股权转让给上海天原（集团）有限公司。（详见 2004 年 12 月 29 日本公司公告。）

（2）上海天原化工有限公司：已注销其法人资格。（详见 2004 年 12 月 29 日本公司公告。）

五、合并会计报表主要项目注释：（以下金额单位除注明者外均为人民币元，凡未注明年初数的均为年末数）

（一）货币资金：

项目	期末数	期初数
现 金	38,040.99	109,006.73
银行存款	301,253,141.98	498,220,533.30
其他货币资金	---	---
合计	<u>301,291,182.97</u>	<u>498,329,540.03</u>

其中：

美元金额	76,694,731.84	2,263,053.35
折算汇率	8.2765	8.2765
折合人民币	63,685,448.07	18,730,161.05
日元金额	546,940.00	216,451.00
折算汇率	0.076696	0.079701
折合人民币	41,948.11	17,251.36
港币金额	---	---
折算汇率	---	---

折合人民币

货币资金年末数比年初数减少 197,038,357.06 元，减少比例为 39.54%，减少原因主要为：本公司因增加对外投资及在建工程而相应增加了现金流出。

(二) 短期投资和短期投资跌价准备：

项 目	期 末 数		期 初 数	
	帐面余额	跌价准备	帐面余额	跌价准备
其他短期投资	5,000,000.00	2,000,000.00	5,000,000.00	2,000,000.00

其他短期投资均系一年内到期的委托贷款：

受托人名称	本 金	利 息	计提减值准备
国信实业（建行四支行委托贷款）	2,000,000.00	---	2,000,000.00
上海天原集团胜德塑料扬州有限公司 （深圳发展银行上海外滩支行委托贷款）	3,000,000.00	---	---

(三) 应收票据：

种类	期 末 数	期 初 数
银行承兑汇票	85,198,862.67	100,293,484.73
商业承兑汇票	<u>30,605,857.00</u>	<u>52,476,981.54</u>
合计	<u>115,804,719.67</u>	<u>152,770,466.27</u>

(四) 应收帐款：

1、帐龄分析：

帐龄	期 末 数				期 初 数			
	帐面余额	占总额	坏帐准备	坏帐准备	帐面余额	占总额	坏帐准备	坏帐准备
		比例	计提比例			比例	计提比例	
1 年以内	239,067,625.59	65.42%	5.00%	7,189,563.74	116,345,562.85	49.19%	5.00%	5,818,498.13
1 至 2 年	72,200,840.41	19.76%	20.00%	15,636,383.05	66,540,719.01	28.12%	20.00%	15,636,583.05
2 至 3 年	28,267,805.32	7.73%	50.00%	13,440,649.84	18,065,377.91	7.64%	50.00%	13,440,649.84
3 年以上	<u>25,917,078.13</u>	<u>7.09%</u>	<u>100.00%</u>	<u>20,564,997.32</u>	<u>35,607,427.71</u>	<u>15.05%</u>	<u>100.00%</u>	<u>20,325,609.57</u>
合计	<u>365,453,349.45</u>	<u>100.00%</u>	---	<u>56,831,593.95</u>	<u>236,559,087.48</u>	<u>100.00%</u>	---	<u>56,592,206.20</u>

2、年末应收帐款欠款金额前五名的累计总欠款金额为 154,040,611.33 元，占应收帐款总金额的 42.15%。

3、至本期末,除依据公司会计政策按帐龄计提的坏帐准备外，已全额计提坏帐准备或计提坏帐准备比例达到 40% 及以上的说明：

欠款单位名称	欠款金额	计提金额	理由
上海棱光实业股份有限公司	4,128,372.72	4,054,374.23	预计难以收回
上海蓓玲发展有限公司	2,065,547.98	2,065,547.98	预计难以收回
绍兴市兴源化工物资有限公司	2,102,513.90	2,102,513.90	预计难以收回
上海南升中外企业精品实业公司	1,600,000.00	1,600,000.00	预计难以收回
上海实业塑胶制品有限公司	2,290,762.16	2,290,762.16	预计难以收回
上海明光通讯机电实业有限公司	2,538,018.00	2,538,018.00	预计难以收回
上海新姚五金工具有限公司	110,273.00	109,414.95	预计难以收回
上海树脂厂有限公司	4,242,437.41	3,979,540.52	预计难以全额收回

4、本期实际冲销的应收帐款：

欠款单位名称	性质	冲销金额	冲销理由	是否涉及关联交易
5 万元以下欠款单位 53 户	货款	904,062.33	营业执照已吊销 或公司已注销	否
5-50 万元欠款单位 50 户	货款	6,839,459.73	营业执照已吊销 或公司已注销	否
50 万元以上欠款单位 6 户	货款	7,041,908.32	营业执照已吊销 或公司已注销	否

5、年末应收帐款中持本公司 5% 以上（含 5%）表决权股份的股东欠款为 368.9 万元，详见本附注七（三）2（3）。

（五）其他应收款：

1、帐龄分析：

帐龄	期末数				期初数			
	帐面余额	占总额 比例	坏帐准备 计提比例	坏帐准备	帐面余额	占总额 比例	坏帐准备 计提比例	坏帐准备
1 年以内	39,835,623.30	7.69%	---	17.49	17,083,311.94	3.44%	---	202,172.22
1 至 2 年	622,951.16	0.12%	---	--	1,911,923.39	0.38%	---	9,714.00

2至3年	22,813,185.94	4.41%	---	---	28,877,118.72	5.81%	---	---
3年以上	<u>454,447,987.85</u>	<u>87.78%</u>	---	<u>156,858,176.70</u>	<u>449,209,189.96</u>	<u>90.37%</u>	---	<u>156,885,678.24</u>
合计	<u>517,719,748.25</u>	<u>100.00%</u>	---	<u>156,858,194.19</u>	<u>497,081,544.01</u>	<u>100.00%</u>	---	<u>157,097,564.46</u>

2、期末其他应收款欠款金额前五名的累计总欠款金额为 385,114,210.96 元，占其他应收款总金额的比例为 74.39%。

3、至本年末已全额计提坏帐准备，或计提坏帐准备比例达到 40% 及以上的说明：

崇明加工单位	1,400,000.00	100%	帐龄三年以上预计无法收回
国信实业委贷	286,110.00	100%	帐龄三年以上预计无法收回
吴县木渎水泥厂	728,640.00	100%	帐龄三年以上预计无法收回
洋浦乐欣实业有限公司	39,344,205.00	100%	帐龄三年以上预计无法收回
中建房产田菱公司	1,330,460.24	100%	帐龄三年以上预计无法收回
莱德汽车公司	1,257,371.88	100%	帐龄三年以上预计无法收回
上海百士高塑胶有限公司	13,466,218.25	100%	帐龄三年以上预计无法收回
乐安达担保	21,934,405.00	100%	帐龄三年以上预计无法收回
乐安达借款	12,000,581.67	100%	帐龄三年以上预计无法收回

4、金额较大的其他应收款：

欠款单位名称	金 额	性质或内容	是否关联
上海天原（集团）有限公司	313,111,427.72	资产转让及日常往来	是
洋浦乐欣实业有限公司	39,344,205.00	往来款	是
上海百士高塑胶有限公司	13,520,523.31	往来款	是
太平洋生物高科技有限公司	15,600,000.00	往来款	是

5、期末其他应收款中持本公司 5% 以上(含 5%) 表决权股份的股东欠款为 31,311.14 万元，详见本附注七（三）2（3）。

（六）预付帐款：

帐龄分析：

帐龄	期末数		未收回的原因	期初数	
	金额	占总额比例		金额	占总额比例
1 年以内	51,492,565.09	99.67%	---	56,551,879.90	99.08%
1 至 2 年	3,633.56	0.01%	---	359,338.13	0.63%

2 至 3 年	---	---	---	---	---
3 年以上	<u>164,408.35</u>	<u>0.32%</u>	---	<u>164,408.35</u>	<u>0.29%</u>
合计	<u>51,660,607.00</u>	<u>100.00%</u>		<u>57,075,626.38</u>	<u>100.00%</u>

(七) 存货及存货跌价准备：

项目	期末数		期初数	
	帐面余额	跌价准备	帐面余额	跌价准备
原辅材料	247,521,634.44	32,192,579.50	283,228,408.50	32,419,408.14
在产品	83,566,661.43	---	146,489,559.76	---
产成品	---	---	---	---
包装物	4,019,091.04	---	3,995,852.16	---
低值易耗品	---	--	356,249.90	141,402.39
库存商品	76,524,768.12	987,510.17	105,114,548.70	987,510.17
自制半成品	--	--	518,054.08	1,058.13
物资采购	<u>-789,232.65</u>	---	<u>27,031,070.32</u>	---
合计	<u>410,842,922.38</u>	<u>33,180,089.67</u>	<u>566,733,743.42</u>	<u>33,549,378.83</u>

1、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：存货的期末市场价减相关税费。

(八) 待摊费用：

类别	期初数	本期增加	本期摊销	期末数	年末结存原因
保险费	259,727.05	2,511,486.66	2,720,852.42	50,361.29	受益期内摊销
租赁费	5,000.00	--	5,000.00	--	受益期内摊销
其他	<u>6,660.00</u>	--	<u>1,340.00</u>	<u>5,320.00</u>	受益期内摊销
合计	<u>271,387.05</u>	<u>2,511,486.66</u>	<u>2,727,192.42</u>	<u>55,681.29</u>	

(九) 长期投资：

项目	期末数		期初数	
	金额	减值准备	金额	减值准备
长期股权投资	774,752,107.23	13,290,000.00	696,748,671.81	13,290,000.00
长期债权投资	<u>1,000,000.00</u>	---	<u>1,000,000.00</u>	---
合计	<u>775,752,107.23</u>	<u>13,290,000.00</u>	<u>697,748,671.81</u>	<u>13,290,000.00</u>

1、长期股权投资：

(1) 股票投资：

被投资公司名称	股份类别	股票数量	占被投资公司注册 资本的比例%	初始投资成本	帐面余额	减值准备
上海棱光实业股份有限公司	法人股	819,720	<1	824,934.00	824,934.00	
上海龙头(集团)股份有限公司	法人股	720,000	<1	2,400,000.00	2,400,000.00	
上海市第一食品股份有限公司	法人股	1,443,226	<1	1,360,896.00	1,360,896.00	
百联集团股份有限公司	法人股	1,443,484	<1	3,956,230.00	3,956,230.00	
上海嘉宝实业股份有限公司	法人股	1,497,600	<1	3,992,000.00	3,992,000.00	
上海轮胎橡胶(集团)股份有限公司	法人股	143,000	<1	690,000.00	690,000.00	
上海白猫股份有限公司	法人股	1,452,000	<1	6,002,000.00	6,002,000.00	
上海申达股份有限公司	法人股	290,400	<1	636,800.00	636,800.00	
ST 上海丰华(集团)股份有限公司	法人股	475,200	<1	1,789,797.60	1,789,797.60	
中国纺织机械股份有限公司	法人股	858,000	<1	2,095,000.00	2,095,000.00	
上海石化股份有限公司	法人股	300,000	<1	900,000.00	900,000.00	
上海电器股份有限公司	法人股	240,000	<1	920,000.00	920,000.00	
ST 上海永生数据股份有限公司	法人股	547,515	<1	2,276,100.00	2,276,100.00	
上海三九发展股份有限公司	法人股	166,980	<1	375,800.00	375,800.00	
申银万国股份有限公司	法人股	1,760,000	<1	1,250,000.00	1,250,000.00	
上海东方明珠股份有限公司	法人股	1,680,000	<1	5,300,000.00	5,300,000.00	
上海爱建股份有限公司	法人股	833,354	<1	3,033,600.00	3,033,600.00	
上海三爱富新材料股份有限公司	法人股	343,217	<1	360,000.00	360,000.00	
上海新锦江股份有限公司	法人股	418,176	<1	1,130,400.00	1,130,400.00	
上海申能股份有限公司	法人股	300,000	<1	560,000.00	560,000.00	
海通证券股份有限公司	法人股	14,583,335	<1	10,200,000.00	10,200,000.00	
上海金陵股份有限公司	法人股	5,346,619	1.1	4,705,200.00	4,705,200.00	
上海水仙电器股份有限公司	法人股	2,640,000	1.13	9,440,000.00	9,440,000.00	9,440,000.00
上海宏盛科技发展股份有限公司	法人股	1,452,000	1.47	2,637,040.00	2,637,040.00	-
上海宝鼎投资股份有限公司	法人股	62,500	<1	62,500.00	62,500.00	
交通银行	法人股	80,140	<1	99,373.00	0.00	
天津天女化工集团股份有限公司	法人股	<u>110,000</u>		<u>239,957.55</u>	<u>239,957.55</u>	
小 计		<u>40,006,466</u>		<u>67,237,628.15</u>	<u>67,138,255.15</u>	<u>9,440,000.00</u>

(2) 其他股权投资：

A、成本法核算的股权投资：

上海赫克力士化工有限公司	1994-2044	40%	15,216,578.88	-1,764,482.31	---	-1,764,482.31	---	---	21,869,015.00	-8,416,918.43	13,452,096.57
上海氯威塑料有限公司	1993-2022	50%	11,814,470.87	-729,876.23	---	-729,876.24	---	---	21,648,112.50	-10,563,517.87	11,084,594.63
上海燕托计算机投资有限公司	2001-2011	40%	1,005,043.94	-35,506.45	---	-35,506.45	---	---	1,000,000.00	-30,462.51	969,537.49
上海华胜化工有限公司	2003-	44%	154,000,000.00	39,160,000.00	39,160,000.00	---	---	---	154,000,000.00	39,160,000.00	193,160,000.00
宁夏西部聚氯乙烯有限公司	2003-2023	30%	83,712,546.00	---	---	---	---	---	83,712,546.00	---	83,712,546.00
北京英兆信息技术有限公司	2004.2-2024.2	67%	1,006,910.60	---	---	---	---	---	1,000,000.00	6,910.60	1,006,910.60
上海亨斯迈聚氨酯有限公司	2003-2053	30%	66,338,227.21	29,482,548.30	29,482,548.30	---	---	---	66,338,227.21	29,482,548.30	95,820,775.51
吴县市天原消石灰厂	2002-	45%	2,268,589.08	-961,760.13	-842,450.00	48,934.36	---	-168,244.49	2,179,932.68	-873,103.73	1,306,828.95
上海天原国际货运有限公司	1997 - 2012	30%	9,345,935.58	89,255.76	---	122,622.64	---	-33,366.88	15,504,000.00	-6,068,808.66	9,435,191.34
上海天坛助剂有限公司	2004.7-2054.7	44%	8,799,039.17	391,989.47	---	391,989.47	---	---	8,800,000.00	391,028.64	9,191,028.64
上海新天原化工物流有限公司		49.50%	5,576,056.41	-5,576,056.41	-4,900,000.00	-676,056.41	---	---	4,900,000.00	-4,900,000.00	---
上海危险化学品贸易有限公司	15 年	28%	<u>2,039,920.63</u>	---	---	---	---	---	<u>1,960,000.00</u>	<u>79,920.63</u>	<u>2,039,920.63</u>
小计			<u>392,002,731.64</u>	<u>58,538,706.66</u>	<u>62,900,098.30</u>	<u>-4,159,772.26</u>	---	<u>-201,611.37</u>	<u>421,074,333.39</u>	<u>29,467,104.92</u>	<u>450,541,438.31</u>

2、长期债权投资：

其他债权投资：

被投资单位	初始投资成本	年利率	到期日	期初数	本年利息	累计应收	期末数	减值准备
南方避险增值基金	1,000,000.00	---	---	1,000,000.00	---	---	1,000,000.00	---

3、长期投资减值准备

长期股权投资减值准备：

被投资单位名称	期初数	本期增加	本期减少	期末数	备注
电化联营厂	200,000.00	---	---	200,000.00	该投资估计无法收回
天地氯碱化工公司	1,400,000.00	---	---	1,400,000.00	系摊派投资，历年无返利
上海管理大厦	100,000.00	---	---	100,000.00	系摊派投资，历年无返利
上海电子材料开发公司	100,000.00	---	---	100,000.00	系摊派投资，历年无返利

上海企业管理协会	50,000.00	---	---	50,000.00	系摊派投资, 历年无返利
上海文化发展基金会	2,000,000.00	---	---	2,000,000.00	系摊派投资, 历年无返利
上海水仙电器股份有限公司	<u>9,440,000.00</u>	---	---	<u>9,440,000.00</u>	公司净资产负数
合 计	<u>13,290,000.00</u>	---	---	<u>13,290,000.00</u>	

4、合并价差的股权投资差额：

被投资单位名称	初始金额	形成原因	摊销期限	年初余额	本期摊销额	摊余金额
上海氯碱化工贸易有限公司	1,510,901.67	2003 年前投资形成	2000-2010	755,450.83	---	755,450.83
上海助剂厂	11,553,688.90	2003 年前投资形成	2001-2011	5,414,777.84	5,414,777.84	0.00
上海达凯塑胶有限公司	-4,700,821.98	2003 年前投资形成	2003-2013	-3,760,657.58	---	-3,760,657.58
上海天原化工有限公司	<u>18,808,923.16</u>	2003 年前投资形成	2002-2012	<u>431,597.39</u>	<u>431,597.39</u>	<u>0.00</u>
合计	<u>27,172,691.75</u>	=	=	<u>2,841,168.48</u>	<u>5,846,375.23</u>	<u>-3,005,206.75</u>

5、长期投资期末数比年初数增加 78,003,435.42 元，增加比例为 11.18%，增加原因主要为：本年追加对上海华胜化工有限公司、上海联恒异氰酸酯有限公司、上海亨斯迈聚氨酯有限公司的投资。

(十) 固定资产原价及累计折旧：

1、固定资产原价：

类别	期初原值	本期增加	本期减少	期末原值
房屋及建筑物	955,603,937.38	74,518,465.91	151,324,770.05	878,797,633.24
机器设备	2,982,096,132.73	261,644,392.44	233,553,434.43	3,010,187,090.74
运输设备	86,162,239.71	6,388,486.34	7,877,930.53	84,672,795.52
其他设备	<u>352,382,697.85</u>	<u>1,530,318.83</u>	<u>2,583,304.99</u>	<u>351,329,711.69</u>
合 计	<u>4,376,245,007.67</u>	<u>344,081,663.52</u>	<u>395,339,440.00</u>	<u>4,324,987,231.19</u>

其中：本年由在建工程转入固定资产原值为 33,865,008.31 元

年末抵押或担保的固定资产详见附注九（三）

2、累计折旧：

类别	期初数	本期增加	本期提取	本期减少（注）	期末数
房屋及建筑物	345,748,754.97	14,595,925.45	12,023,200.28	44,768,086.64	327,599,794.06
机器设备	1,809,235,970.65	82,929,048.73	106,896,897.43	109,573,975.96	1,889,487,940.85
运输设备	57,787,554.66	3,284,394.79	2,837,942.71	4,991,512.59	58,918,379.57
其他设备	<u>250,349,861.12</u>	<u>299,429.15</u>	<u>10,796,934.07</u>	<u>2,479,133.95</u>	<u>258,967,090.39</u>
合 计	<u>2,463,122,141.40</u>	<u>101,108,798.12</u>	<u>132,554,974.49</u>	<u>161,812,709.14</u>	<u>2,534,973,204.87</u>

3、固定资产减值准备：

类别	期初数	本期增加	本期减少	期末数	计提原因
房屋及建筑物	16,969,065.90	3,304.28	3,304.28	16,969,065.90	可收回金额低于账面价值
机器设备	49,317,767.02	4,651,264.97	4,660,550.51	49,308,481.48	可收回金额低于账面价值
运输设备	419,334.39	---	9,919.56	409,414.83	可收回金额低于账面价值
其他设备	<u>271,138.83</u>	---	---	<u>271,138.83</u>	可收回金额低于账面价值
合计	<u>66,977,306.14</u>	<u>4,654,569.25</u>	<u>4,673,774.35</u>	<u>66,958,101.04</u>	

4、至期末已提足折旧仍继续使用的固定资产：

类别	帐面原值	累计折旧	帐面净值
房屋及建筑物	27,193,222.11	26,416,211.70	777,010.41
机器设备	828,930,439.91	796,762,259.00	32,168,180.91
运输设备	34,877,324.73	33,520,655.13	1,356,669.60
其他	<u>67,479,022.16</u>	<u>64,943,474.57</u>	<u>2,535,547.59</u>
合计	<u>958,480,008.91</u>	<u>921,642,600.40</u>	<u>36,837,408.51</u>

(十一) 工程物资：

类别	期末数	期初数
专用材料	312,676.01	173,435.51
专用设备	62,450.15	62,450.15
预付大型设备款	<u>27,537,559.63</u>	<u>36,843,276.65</u>
合计	<u>27,912,685.79</u>	<u>37,079,162.31</u>

(十二) 在建工程：

工程项目名称	预算数	期初数	本期减少			期末数	资金来源	工程投入 占预算比例
			本期增加	转入固定资产	其他减少			
(万元)								
精馏装置技术改造	395	3,277,987.99	790,000.01-	---	---	4,067,988.00	自筹	
裂解炉改造工程	3,060	7,692,115.00	---	---	---	7,692,115.00	自筹	25%
职工住房参建项目	2,492	4,317,078.19	---	---	---	4,317,078.19	自筹	17%
科研技措项目	12,546	44,897,071.72	15,615,014.02	3,405,272.22	---	57,106,813.52	自筹	46%
电化厂报废重置项目	1,856	7,901,921.79	5,818,911.03	6,992,988.41	---	6,727,844.41	自筹	36%
华鸿管廊项目	---	93,730,681.81	36,539,209.70	---	---	130,269,891.52	自筹、贷款	81%

7 万吨 PVC 专用树脂	68,622	619,968,624.77	74,004,787.77	---	---	693,973,412.54	自筹、贷款	
PVC 厂报废重置项目	1,379	16,341,030.80	1,072,780.58	14,223,887.74	---	3,189,923.64	自筹	
聚氯乙烯糊状树脂装置扩产	3,822	33,319,463.12	2,588,272.65	---	---	35,907,735.77	自筹、贷款	94%
其他零星工程	---	<u>35,067,660.43</u>	<u>34,401,169.45</u>	<u>9,242,859.94</u>	<u>1,533,305.90</u>	<u>58,692,664.04</u>	自筹	
合 计		<u>866,513,635.62</u>	<u>170,830,145.22</u>	<u>33,865,008.31</u>	<u>1,533,305.90</u>	<u>1,001,945,466.63</u>		

2、其中利息资本化金额：

工程项目名称	本期转入		其他减少	期末数
	期初数	本期增加		
聚氯乙烯糊状树脂装置扩产	1,302,756.73	508,725.37	---	1,811,482.10
7 万吨 PVC 专用树脂	33,670,604.95	---	---	33,670,604.95
华鸿管廊项目	<u>1,430,893.70</u>	<u>2,099,743.00</u>	---	<u>3,530,636.70</u>
合 计	<u>36,404,255.38</u>	<u>2,608,468.37</u>	---	<u>39,012,723.75</u>

3、在建工程减值准备：

工程项目名称	期初数	本期增加	本期减少	期末数	计提原因
裂解炉改造工程	7,692,115.00	---	---	7,692,115.00	已停建

4、在建工程年末数比年初数增加 135,431,831.01 元，增加比例为 15.63%，增加原因主要为：本期增加对 7 万吨 PVC 专用树脂、华鸿管廊项目等工程项目的投入。

(十三) 无形资产：

1、类别	取得方式	原 值	期初数	本期增加	本期摊销	累计摊销	期末数
土地使用权	股东投入、购买	10,570,900.00	2,268,745.20	---	510,544.20	9,833,787.40	1,758,201.00
房屋使用权	购买	---	63,179,493.86	---	24,179.64	---	63,155,314.22
技术转让费	购买	14,685,000.00	<u>14,685,000.00</u>	<u>4,905.00</u>	---	---	<u>14,689,905.00</u>
合计			<u>80,133,239.06</u>	---	<u>534,723.84</u>	<u>9,833,787.40</u>	<u>79,603,420.22</u>

2、本年末已计提减值准备

项目	帐面原值	计提减值准备金额	计提原因
房屋使用权	---	62,407,759.75	账面价值超过预计可收回金额
技术转让费	<u>14,685,000.00</u>	<u>14,685,000.00</u>	账面价值超过预计可收回金额
合计	<u>14,685,000.00</u>	<u>77,092,759.75</u>	

(十四) 长期待摊费用：

项目	原始发生额	期初数	本期增加	本期摊销	累计摊销	期末数
其他递延支出		826,389.28	---	83,333.00	---	743,056.28

注：其他递延支出主要系盐堆场租赁费

(十五) 短期借款：

借款类别	期末数	期初数
信用借款	511,025,150.00	81,000,000.00
抵押借款	1,300,000.00	1,300,000.00
保证借款	780,000,000.00	1,012,538,500.00
合计	1,292,325,150.00	1,094,838,500.00

其中：期末外币借款的外币金额为 12,100,000.00 美元，折算汇率 8.2765，折合人民币 100,145,650.00 元。

(十六) 应付票据：

种 类	期末数	期初数
商业承兑汇票	---	14,830,343.78
银行承兑汇票	7,699,260.93	16,500,000.00
合计	7,699,260.93	31,330,343.78

(十七) 应付帐款：

期末数	期初数
114,796,696.24	185,983,076.19

期末无欠持本公司 5% 以上（含 5%）表决权股份的股东账款

(十八) 预收帐款：

期末数	期初数
64,443,321.30	97,094,197.90

1、帐龄超过一年的预收帐款：

付款单位名称	金 额	未结转的原因
集 成	2,534,283.57	尚未结帐
KWOK KEE DEVELOPE CO.LTD	2,343,705.72	尚未结帐
珠海经藤化工实业公司	279,229.20	尚未结帐
绍兴塑料纺织厂	270,000.00	尚未结帐

2、年末无预收持本公司 5% 以上（含 5%）表决权股份的股东账款。

(十九) 其他应付款：

<u>期末数</u>	<u>期初数</u>
92,291,440.22	62,489,489.73

1、帐龄超过三年的大额其他应付款：

<u>债权单位名称</u>	<u>金 额</u>	<u>未偿付原因</u>
上海工程化学设计院	999,289.17	尚未结帐

2、期末金额较大的其他应付款：

<u>债权人名称</u>	<u>金 额</u>	<u>性质或内容</u>
上海华谊集团建设有限公司	5,722,194.50	工程款
上海安装工程有有限公司	4,313,937.00	工程款
中国化学工程第六建设公司	3,222,674.00	工程款
哈尔滨博实自动化设备有限公司	1,530,000.00	质保费
上海工程化学设计院有限公司	1,467,129.17	工程款
上海全通水利疏浚工程有限公司	200,000.00	疏浚费

3、年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。

(二十) 应付工资：

<u>期末数</u>	<u>期初数</u>
6,858,234.20	2,751,354.61

(二十一) 应付股利：

<u>投资者名称或类别</u>	<u>年末欠付股利金额</u>	<u>欠付原因</u>
公司法人股股东	1,428,296.90	尚未领取
合 计	<u>1,428,296.90</u>	

(二十二) 应交税金：

<u>税 种</u>	<u>期 末 数</u>	<u>期 初 数</u>	<u>报告期执行的法定税率</u>
增值税	17,320,163.62	-3,807,788.31	按应税收入的 13%-17% 计缴
营业税	184,975.33	2,167.10	按应税收入的 3%-7% 计缴

城建税	1,194,072.70	116,019.87	按应交流转税的 7% 计缴
企业所得税	-18,642,000.03	-11,426,843.18	按应税所得额的 15% - 33% 计缴
个人所得税	1,248.93	90,137.87	
房产税	---	---	
其他	---	<u>1,148,994.00</u>	
合计	<u>58,460.55</u>	<u>-13,877,312.65</u>	

(二十三) 其他应交款：

项 目	期 末 数	期 初 数	计 缴 标 准
教育费附加	512,115.19	71,941.82	按应交流转税的 3% 计缴
堤防费	---	13,864.91	
义优金	---	4,895.81	
河道费	170,698.75	13,331.95	按应交流转税的 1% 计缴
水利基金	---	---	
合计	<u>682,813.94</u>	<u>104,034.49</u>	

(二十四) 预提费用：

类 别	期 末 数	期 初 数
利息费用	2,536,264.46	2,320,074.69
修理费	6,107,706.52	---
其他	<u>960,000.00</u>	<u>158.82</u>
合计	<u>9,603,970.98</u>	<u>2,320,233.51</u>

(二十五) 一年内到期的长期负债：

一年内到期的长期借款：

借 款 类 别	期 末 数	期 初 数
信用借款	---	58,320,000.00
保证借款	---	<u>200,000,000.00</u>
合计	---	<u>258,320,000.00</u>

(二十六) 长期借款：

借款条件	期 末 数	期 初 数
信用借款	150,000,000.00	100,000,000.00
保证借款	293,270,000.00	293,270,000.00

抵押借款	-	-
质押借款	=	=
合计	<u>443,270,000.00</u>	<u>393,270,000.00</u>

期末无已到期未偿还的长期借款。

(二十七) 专项应付款：

拨款用途	期末数	期初数
7万吨PVC项目专项拨款	57,340,000.00	57,340,000.00

(二十八) 股本：

	期初数	比例	期末数	比例
1、未上市流通股份				
(1) 国家持有股份	611,510,647.00	52.51%	611,510,647.00	52.51%
(2) 募集法人股份	<u>118,580,000.00</u>	<u>10.18%</u>	<u>118,580,000.00</u>	<u>10.18%</u>
未上市流通股份合计	<u>730,090,647.00</u>	<u>62.70%</u>	<u>730,090,647.00</u>	<u>62.70%</u>
2、已上市流通股份				
(1) 人民币普通股	27,832,420.00	2.39%	27,832,420.00	2.39%
(2) 境内上市的外资股	<u>406,560,000.00</u>	<u>34.91%</u>	<u>406,560,000.00</u>	<u>34.91%</u>
已上市流通股份合计	<u>434,392,420.00</u>	<u>37.30%</u>	<u>434,392,420.00</u>	<u>37.30%</u>
3、股份总数	1,164,483,067.00	100.00%	1,164,483,067.00	100.00%

(二十九) 资本公积：

项目	期初数	本年增加	本年减少	期末数
股本溢价	1,531,064,775.02	---	---	1,531,064,775.02
住房周转金转入	1,030,233.40	---	---	1,030,233.40
股权投资准备	9,444,222.63	---	---	9,444,222.63
接受捐赠非现金资产资产准备	2,736,973.32	---	---	2,736,973.32
其他	<u>20,196,821.18</u>	---	---	<u>20,196,821.18</u>
合计	<u>1,564,473,025.55</u>	---	---	<u>1,564,473,025.55</u>

(三十) 盈余公积：

项目	期初数	本期增加	本期减少[注]	期末数
法定盈余公积	94,607,581.99	---	272,779.21	94,334,802.78
法定公益金	10,448,354.13	---	272,779.21	10,175,574.92
任意盈余公积	<u>27,916,977.07</u>	---	---	<u>27,916,977.07</u>

合 计 132,972,913.19 --- 545,558.42 132,427,354.77

[注] 本报告期盈余公积减少主要系合并范围的变动所致。

(三十一) 未分配利润：

项目	金额
年初未分配利润	53,720,981.52
加：其他转入	---
本年净利润	-40,443,173.53
减：提取法定盈余公积	---
提取法定公益金	---
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	---
期末未分配利润	13,277,807.99

(三十二) 主营业务收入、主营业务成本：

业 务 分 部	项目	主营业务收入		主营业务成本		主营业务毛利	
		本期累计数	去年同期数	本期累计数	去年同期数	本期累计数	去年同期数
1.工业		1,870,615,627.17	1,981,506,138.04	1,713,516,805.18	1,637,842,683.72	157,098,821.99	343,663,454.32
2.商业		113,803,753.74	180,523,323.29	109,756,212.92	176,037,641.33	4,047,540.82	4,485,681.96
3.旅游饮食服务业		243,788.00	278,602.00	---	---	243,788.00	278,602.00
4.运输业		5,861,625.06	221,029,212.75	3,273,350.54	204,692,290.45	2,588,274.52	16,336,922.30
小计		<u>1,990,524,793.97</u>	<u>2,383,337,276.08</u>	<u>1,826,546,368.64</u>	<u>2,018,572,615.50</u>	<u>163,978,425.33</u>	<u>364,764,660.58</u>
部 公司内各业务分部相互抵销		<u>23,257,468.08</u>	<u>34,737,869.63</u>	<u>21,387,567.65</u>	<u>34,737,869.63</u>	---	---
合计		<u>1,967,267,325.89</u>	<u>2,348,599,406.45</u>	<u>1,805,158,800.99</u>	<u>1,983,834,745.87</u>	<u>163,978,425.33</u>	<u>364,764,660.58</u>

注：运输业毛利比去年同期下降 13,748,647.78 元，是由于本报告期天原国际货运不合并所致。

地 区 分 部	项目	主营业务收入		主营业务成本		主营业务毛利	
		本期累计数	去年同期数	本期累计数	去年同期数	本期累计数	去年同期数
地 上海地区		1,990,281,005.97	2,383,058,674.08	1,826,546,368.64	2,018,572,615.50	163,734,637.33	364,486,058.58
区 上海以外地区		243,788.00	278,602.00	---	---	243,788.00	278,602.00
分 小计		<u>1,990,524,793.97</u>	<u>2,383,337,276.08</u>	<u>1,826,546,368.64</u>	<u>2,018,572,615.50</u>	<u>163,978,425.33</u>	<u>364,764,660.58</u>
部 公司内各地区分部相互抵销		<u>23,257,468.08</u>	<u>34,737,869.63</u>	<u>23,257,468.08</u>	<u>34,737,869.63</u>	---	---
合计		<u>1,967,267,325.89</u>	<u>2,348,599,406.45</u>	<u>1,803,288,900.56</u>	<u>1,983,834,745.87</u>	<u>163,978,425.33</u>	<u>364,764,660.58</u>

(三十三) 主营业务税金及附加：

项目	计缴标准	本期发生数	上年发生数
营业税	按应税收入的 3%-7%	254,055.94	1,920,021.87
城建税	按应交流转税的 7% 计缴	3,195,246.20	9,504,089.52
教育费附加	按应交流转税的 3% 计缴	1,384,892.06	4,119,451.17
其他	-	21,231.10	64,854.16
合计		<u>4,855,425.30</u>	<u>15,608,416.72</u>

(三十四) 其他业务利润：

类别	本期累计数			去年同期数		
	收入	成本	利润	收入	成本	利润
劳务收入	1,471,147.57	1,471,147.57	--	269,259.90	270,707.38	-1,447.48
租赁收入	4,181,647.50	4,170,707.45	10,940.05	7,895,641.12	8,318,356.94	-422,715.82
材料销售收入	141,128,867.49	134,387,841.68	6,741,025.81	8,787,696.77	10,345,784.90	-1,558,088.13
其他	<u>421,835.08</u>	<u>471,256.63</u>	<u>-49,421.55</u>	<u>8,789,226.54</u>	<u>7,604,717.63</u>	<u>1,184,508.91</u>
合计	<u>147,203,497.64</u>	<u>140,500,953.33</u>	<u>6,702,544.31</u>	<u>25,741,824.33</u>	<u>26,539,566.85</u>	<u>-797,742.52</u>

其他业务利润比去年上升 7,500,286.83 元，是由于本期材料销售所致。

(三十五) 财务费用：

类别	本期累计数	上期同期数
利息支出	42,109,565.53	29,321,262.76
减：利息收入	1,554,214.17	3,752,299.77
汇兑损失	152,677.59	189,757.62
减：汇兑收益	54,124.31	94,132.63
其他	<u>862,894.97</u>	<u>663,284.46</u>
合计	<u>41,516,799.61</u>	<u>26,327,872.44</u>

财务费用本报告期比上年同期上升 15,188,927.17 元，主要是由于公司项目利息的费用化所致。

(三十六) 投资收益：

1、本期发生数：

类别	成本法下确认		权益法下确认		股权投资差额摊销	处置收益	减值准备	合计
	股票投资收益	债权投资收益	的投资收益	的投资收益				
短期投资	--	--	--	--	正常摊销	因减值而转销	--	--

长期股权投资	288,645.20	---	536,518.49	-3,158,658.40	---	---	---	---	-2,333,494.71
长期债权投资	---	---	---	---	---	---	---	---	---
合计	<u>288,645.20</u>	<u>---</u>	<u>536,518.49</u>	<u>-3,158,658.40</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>-2,333,494.71</u>

2、去年同期数：

类别	成本法下确认		权益法下确认		股权投资差额摊销	股权转让收益	减值准备	合计
	股票投资收益	债权投资收益	的投资收益	的投资收益				
短期投资	---	---	---	---	---	---	---	---
长期股权投资	831,697.05	---	491,962.16	1,269,533.13	---	---	---	2,593,192.34
长期债权投资	---	---	---	---	---	---	---	---
合计	<u>831,697.05</u>	<u>---</u>	<u>491,962.16</u>	<u>1,269,533.13</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>2,593,192.34</u>

3、投资收益本年发生数比上年发生数减少 4,926,687.05 元，减少比例为 189.98%，减少原因主要是本年被投资单位上海天原物流有限公司、上海赫克力士化学品有限公司大额亏损。

(三十七) 补贴收入：

内 容	本期累计数	上年同期数
补贴收入	---	587,910.00
合计	<u>---</u>	<u>587,910.00</u>

(三十八) 营业外收入：

类别	本期发生数	上年同期数
固定资产清理收益	---	15,816.72
其他	<u>4,110.04</u>	<u>1,255,859.87</u>
合计	<u>4,110.04</u>	<u>1,271,676.59</u>

(三十九) 营业外支出：

类别	本年发生数	上年同期数
固定资产清理损失	9,491.65	2,987,159.60
捐赠支出	--	--
罚款支出	---	23,982.20
非常损失	---	1,237,200.00

计提的无形资产减值准备	---	--
其他	<u>1,930.28</u>	<u>-64.91</u>
合计	<u>11,421.93</u>	<u>4,248,276.89</u>

(四十) 收到的其他与经营活动有关的现金 5,750,559.73 元。

<u>项目</u>	<u>金额</u>
其中：利息收入	1,570,840.72
赔款收入	920,000.00
治安押金收入	828,000.00
企业间往来	2,431,719.01
合计	<u>5,750,559.73</u>

(四十一) 支付的其他与经营活动有关的现金 125,562,783.84 元。

<u>项目</u>	<u>金额</u>
修理费、水电费、排污费	7,673,971.62
办公费、会务费、差旅费	6,533,281.50
环境保护费、绿化养护费	4,158,254.00
租赁费、保险费、销售代理费	17,832,488.13
业务招待费、广告费、咨询费	12,080,293.36
运输费、警卫消防费	29,089,482.72
劳动保险费	26,123,917.67
试验费、商检费	238,870.30
仓储费、包装费、装卸费	4,285,095.85
企业间往来	<u>17,547,128.69</u>
合计	<u>125,562,783.84</u>

六、母公司会计报表主要项目注释：(以下金额单位除注明者外均为人民币元，凡未注明年初数的均为年末数)

(一) 应收帐款：

1、帐龄分析：

帐龄	期末数				期初数			
	帐面余额	占总额	坏帐准备	坏帐准备	帐面余额	占总额	坏帐准备	坏帐准备
		比例	计提比例			比例	计提比例	
1 年以内	211,014,977.99	62.90%	5.00%	6,455,129.01	124,852,659.69	51.92%	5.00%	6,242,632.98

1至2年	72,040,150.37	21.47%	20.00%	15,460,518.45	65,713,203.73	27.32%	20.00%	15,339,188.31
2至3年	28,091,115.32	8.37%	50.00%	13,345,343.34	16,074,764.91	6.68%	50.00%	12,445,343.34
3年以上	24,333,641.26	7.26%	100.00%	19,257,483.45	33,862,913.84	14.08%	100.00%	33,862,913.84
合计	<u>335,479,884.94</u>	<u>100.00%</u>	<u>==</u>	<u>54,518,474.25</u>	<u>240,503,542.17</u>	<u>100.00%</u>	<u>==</u>	<u>67,890,078.47</u>

2、年末应收帐款欠款金额前五名的累计总欠款金额为 154,040,611.33 元，占应收帐款总金额的 45.92%。

3、至本年末,除依据公司会计政策按帐龄计提的坏帐准备外，已全额计提坏帐准备或计提坏帐比例达到 40% 及以上的说明：

欠款单位名称	欠款金额	计提金额	理由
上海棱光实业股份有限公司	4,128,372.72	4,054,374.23	预计难以收回
上海蓓玲发展有限公司	2,065,547.98	2,065,547.98	预计难以收回
绍兴市兴源化工物资有限公司	2,102,513.90	2,102,513.90	预计难以收回
上海南升中外企业精品实业公司	1,600,000.00	1,600,000.00	预计难以收回
上海实业塑胶制品有限公司	2,290,762.16	2,290,762.16	预计难以收回
上海明光通讯机电实业有限公司	2,538,018.00	2,538,018.00	预计难以收回
上海新姚五金工具有限公司	110,273.00	109,414.95	预计难以收回
上海树脂厂有限公司	4,242,437.41	3,979,540.52	预计难以全额收回

4、本年度实际冲销的应收帐款：

欠款单位名称	性质	冲销金额	冲销理由	是否涉及关联交易
5 万元以下欠款单位 53 户	货款	904,062.33	营业执照已吊销 或公司已注销	否
5-50 万元欠款单位 50 户	货款	6,839,459.73	营业执照已吊销 或公司已注销	否
50 万元以上欠款单位 6 户	货款	7,041,908.32	营业执照已吊销 或公司已注销	否

5、年末应收帐款中持本公司 5% 以上（含 5%）表决权股份的股东欠款为 3,689,240.50 元，详见本附注七（三）2（3）。

（二）其他应收款：

1、帐龄分析：

帐龄	年末数				年初数			
	帐面余额	占总额 比例	坏帐准备 计提比例	坏帐准备	帐面余额	占总额 比例	坏帐准备 计提比例	坏帐准备

1 年以内	26,862,978.32	5.36%	---	---	14,080,706.49	2.88%	---	---
1 至 2 年	622,951.16	0.12%	---	---	863,353.39	0.17%	---	---
2 至 3 年	22,810,185.94	4.55%	---	---	28,627,518.72	5.85%	---	---
3 年以上	<u>451,079,421.08</u>	<u>89.97%</u>	---	<u>156,554,597.68</u>	<u>445,813,121.65</u>	<u>91.10%</u>	---	<u>156,554,597.68</u>
合计	<u>501,375,536.50</u>	<u>100.00%</u>	---	<u>156,554,597.68</u>	<u>489,384,700.25</u>	<u>100.00%</u>	---	<u>156,554,597.68</u>

2、年末其他应收款欠款金额前五名的累计总欠款金额为 385,114,210.96 元，占其他应收款总金额的比例为 74.39%。

3、至本年末全额计提坏帐准备，或计提坏帐准备比例达到 40% 及以上的说明：

<u>欠款单位名称</u>	<u>欠款金额</u>	<u>计提比例</u>	<u>理由</u>
崇明加工单位	1,400,000.00	100%	帐龄三年以上预计无法收回
国信实业委贷	286,110.00	100%	帐龄三年以上预计无法收回
吴县木渎水泥厂	728,640.00	100%	帐龄三年以上预计无法收回
洋浦乐欣实业有限公司	39,344,205.00	100%	帐龄三年以上预计无法收回
中建房产田菱公司	1,330,460.24	100%	帐龄三年以上预计无法收回
莱德汽车公司	1,257,371.88	100%	帐龄三年以上预计无法收回
上海百士高塑胶有限公司	13,466,218.25	100%	帐龄三年以上预计无法收回
乐安达担保	21,934,405.00	100%	帐龄三年以上预计无法收回
乐安达借款	12,000,581.67	100%	帐龄三年以上预计无法收回

4、年末金额较大的其他应收款：

<u>欠款单位名称</u>	<u>金 额</u>	<u>性质或内容</u>	<u>是否关联</u>
上海天原（集团）有限公司	313,111,427.72	资产转让及日常往来	是
洋浦乐欣实业有限公司	39,344,205.00	往来款	是
上海百士高塑胶有限公司	13,520,523.31	往来款	是
太平洋生物高科技有限公司	15,600,000.00	往来款	是

5、年末其他应收款中持本公司 5% 以上（含 5%）表决权股份的股东欠款为 31,311.14 万元，详见本附注七（三）2（3）。

（三）长期投资：

项目	年末数		年初数	
	金额	减值准备	金额	减值准备
长期股权投资	1,032,165,906.90	13,290,000.00	1,011,456,310.95	13,290,000.00
长期债权投资	1,000,000.00	---	1,000,000.00	---
合计	<u>1,033,165,906.90</u>	<u>13,290,000.00</u>	<u>1,012,456,310.95</u>	<u>13,290,000.00</u>

1、长期股权投资：

(1) 股票投资：

被投资公司名称	股份类别	股票数量	占被投资公司注册 资本的比例%	初始投资成本	帐面余额	减值准备
上海龙头(集团)股份有限公司	法人股	720,000	<1	2,400,000.00	2,400,000.00	-
上海市第一食品股份有限公司	法人股	1,443,226	<1	1,360,896.00	1,360,896.00	-
百联集团股份有限公司	法人股	1,443,484	<1	3,956,230.00	3,956,230.00	-
上海嘉宝实业股份有限公司	法人股	1,497,600	<1	3,992,000.00	3,992,000.00	-
上海轮胎橡胶(集团)股份有限公司	法人股	143,000	<1	690,000.00	690,000.00	-
上海白猫股份有限公司	法人股	1,452,000	<1	6,002,000.00	6,002,000.00	-
上海申达股份有限公司	法人股	290,400	<1	636,800.00	636,800.00	-
ST 上海丰华(集团)股份有限公司	法人股	475,200	<1	1,789,797.60	1,789,797.60	-
中国纺织机械股份有限公司	法人股	858,000	<1	2,095,000.00	2,095,000.00	-
上海石化股份有限公司	法人股	300,000	<1	900,000.00	900,000.00	-
上海电器股份有限公司	法人股	240,000	<1	920,000.00	920,000.00	-
ST 上海永生数据股份有限公司	法人股	547,515	<1	2,276,100.00	2,276,100.00	-
上海三九发展股份有限公司	法人股	166,980	<1	375,800.00	375,800.00	-
申银万国股份有限公司	法人股	1,760,000	<1	1,250,000.00	1,250,000.00	-
上海东方明珠股份有限公司	法人股	1,680,000	<1	5,300,000.00	5,300,000.00	-
上海爱建股份有限公司	法人股	833,354	<1	3,033,600.00	3,033,600.00	-
上海三爱富新材料股份有限公司	法人股	343,217	<1	360,000.00	360,000.00	-
上海新锦江股份有限公司	法人股	418,176	<1	1,130,400.00	1,130,400.00	-
上海申能股份有限公司	法人股	300,000	<1	560,000.00	560,000.00	-
海通证券股份有限公司	法人股	14,583,335	<1	10,200,000.00	10,200,000.00	-
上海金陵股份有限公司	法人股	5,346,619	1.1	4,705,200.00	4,705,200.00	-
上海水仙电器股份有限公司	法人股	2,640,000	1.13	9,440,000.00	9,440,000.00	9,440,000.00

上海宏盛科技发展股份有限公司	法人股	1,452,000	1.47	2,637,040.00	2,637,040.00	-
上海宝鼎投资股份有限公司	法人股	62,500	<1	62,500.00	62,500.00	-
天津天女化工集团股份有限公司	法人股	110,000		239,957.55	239,957.55	-
合计		39,926,326		67,138,255.15	67,138,255.15	9,440,000.00

以上均为不流通的法人股，期末无市价。

(2) 其他股权投资：

A、成本法核算的股权投资：

被投资单位名称	投资起止期	占被投资单位		年初余额	本年投资增减额	年末帐面余额
		注册资本比例				
拜耳(中国)聚合物有限公司	2002-2052	10%		119,515,400.23	---	119,515,400.23
上海化工实业总公司	1997---无限期	20%		10,000,000.00	---	10,000,000.00
天地氯碱化工公司	1993---	---		1,400,000.00	---	1,400,000.00
上海管理大厦	---	---		100,000.00	---	100,000.00
上海电子材料开发公司	---	---		100,000.00	---	100,000.00
上海企业管理协会	---	---		50,000.00	---	50,000.00
上海文化发展基金会	---	10%		2,000,000.00	---	2,000,000.00
电化联营厂	---	---		200,000.00	---	200,000.00
上海长江保险经纪有限公司	---	10%		1,500,000.00	---	1,500,000.00
上海联恒异氰酸脂有限公司	---	15%		62,982,697.00	27,992,310.00	90,975,007.00
上海乐凯国际贸易有限公司	---	16.53%		1,703,051.90	-395,900.00	1,307,151.90
合计				199,551,149.13	27,596,410.00	227,147,559.13

B、权益法核算的对子公司股权投资：

被投资单位名称	投资期限	投资投资单位注册资本比例	年初		本年权益增减额				年末余额		
			余额	合计增减	其中：投资成本	确认损益	差额摊销	分得利润	初始金额	累计权益增减	帐面余额
上海华鸿管廊有限公司	2003-2013	70.00%	28,000,000.00	---	---	---	---	---	28,000,000.00	---	28,000,000.00
天原(集团)高分子材料有限公司	2000 -	90.00%	28,800,000.00	---	---	---	---	---	28,800,000.00	---	28,800,000.00
上海达凯塑胶有限公司	1996-2011	90.00%	91,027,923.55	5,523,300.08	---	5,523,300.08	---	---	85,170,558.23	11,380,665.40	96,551,223.63
上海助剂厂有限公司	2000.12	85.13%	43,816,325.93	-43,816,325.93	-43,816,325.93	---	---	---	---	---	0.00
苏州姑苏经济发展总公司	1994-无限期	80.00%	7,974,521.57	920.425	---	920.42	---	---	8,000,000.00	-24,558.01	7,975,441.99
上海氯碱化工贸易有限公司	1995-无限期	90.00%	105,139,658.33	173,417.75	---	255,105.34	---	-81,687.59	95,060,516.73	10,252,559.35	105,313,076.08
上海天原化工有限公司	2002-	76.22%	52,777,869.61	-52,777,869.61	-52,777,869.61	---	---	---	---	---	0.00
上海天源水厂自来水有限公司	2005-	77.78%	0.00	4,622,164.66	4,833,977.45	-211,812.79	---	---	7,000,200.00	-2,378,035.34	4,622,164.66

上海新天原化工物流有限公司	2003-2023	57.82%	2,843,853.08	15,272,815.51	14,500,000.00	772,815.51	---	---	2,500,000.00	15,616,668.59	18,116,668.59
小计			<u>360,380,152.07</u>	<u>-71,001,577.12</u>	<u>-77,260,218.09</u>	<u>6,340,328.56</u>	---	<u>-81,687.59</u>	<u>254,531,274.96</u>	<u>34,847,299.99</u>	<u>289,378,574.95</u>

C、权益法核算的对联营企业股权投资

被投资单位名称	投资期限	投资投资单位注册资本比例	年初		本年权益增减额				年末余额		
			余额	合计增减	其中：投资成本	确认损益	差额摊销	分得利润	初始金额	累计权益增减	帐面余额
上海天坛助剂有限公司	2004.7-2054.7	44.00%	8,799,039.17	391,989.47	--	391,989.47	---	---	8,800,000.00	391,028.64	9,191,028.64
天原物流有限公司	2002-2032	47.92%	10,331,999.94	-2,763,135.66	---	-2,763,135.66	---	---	12,962,500.00	-5,393,635.72	7,568,864.28
上海氯碱化工房产经营开发公司	1993-无期限	49.00%	7,995,800.43	235,582.76	---	235,582.76	---	---	15,000,000.00	-6,768,616.81	8,231,383.19
天原国际货运有限公司	1997-2012	30.00%	9,345,935.58	89,255.76	---	122,622.64	---	-33,366.88	15,504,000.00	-6,068,808.66	9,435,191.34
上海工程化学设计院有限公司	1999-2019	48.57%	12,551,612.90	1,010,147.57	---	1,010,147.57	---	---	10,200,000.00	3,361,760.47	13,561,760.47
上海赫克力士化工有限公司	1994-2044	40.00%	15,216,578.88	-1,764,482.31	---	-1,764,482.31	---	---	21,869,015.00	-8,416,918.43	13,452,096.57
上海氯威塑料有限公司	1993-2022	50.00%	11,814,470.87	-729,876.24	---	-729,876.24	---	---	21,648,112.50	-10,563,517.87	11,084,594.63
上海燕托计算机投资有限公司	2001-2011	40.00%	1,005,043.94	-35,506.45	---	-35,506.45	---	---	1,000,000.00	-30,462.51	969,537.49
北京英兆信息技术有限公司	2004.2-2024.2	67.00%	1,006,910.60	---	---	---	---	---	1,000,000.00	6,910.60	1,006,910.60
吴县市天原消石灰厂	2002-	45.00%	2,268,589.08	-961,760.13	-842,450.00	48,934.36	---	-168,244.49	2,179,932.68	-873,103.73	1,306,828.95
上海华胜化工有限公司	2003-	44.00%	154,000,000.00	39,160,000.00	39,160,000.00	---	---	---	154,000,000.00	39,160,000.00	193,160,000.00
宁夏西部聚氯乙炔有限公司	2003-2023	30.00%	83,712,546.00	---	---	---	---	---	83,712,546.00	---	83,712,546.00
上海亨斯迈聚氯脂有限公司	2003-2053	30.00%	66,338,227.21	29,482,548.30	29,482,548.30	---	---	---	66,338,227.21	29,482,548.30	95,820,775.51
小计			<u>384,386,754.60</u>	<u>64,114,763.07</u>	<u>67,800,098.30</u>	<u>-3,483,723.86</u>	---	<u>-201,611.37</u>	<u>414,214,333.39</u>	<u>34,287,184.29</u>	<u>448,501,517.67</u>

D、其中：股权投资差额：

被投资公司名称	原始差额	起始摊销	摊销期限	应计摊销额	本期实际摊销额	累计摊销	摊余额
上海氯碱化工贸易有限公司	1,510,901.67	2000年1月	10.00	---	---	755,450.84	755,450.83
上海氯威塑料有限公司	-106,887.50	1998年1月	10.00	---	---	-74,821.25	-32,066.25
上海达凯塑胶有限公司	-4,700,821.98	2002年12月	10.00	---	---	-940,164.40	-3,760,657.58
上海天原物流有限公司	-331,190.68	2002年6月	10.00	---	---	-82,797.67	-248,393.01
吴县市天原硝石灰厂	41,685.88	2002年3月	10.00	---	---	11,463.62	30,222.26
小计	<u>-3,586,312.61</u>			---	---	<u>-330,868.86</u>	<u>-3,255,443.75</u>

2、长期债权投资：

其他债权投资：

被投资单位	初始投资成本	年利率	到期日	年初数	本年利息	累计应收利息	年末数	减值准备
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南方避险增值基金 1,000,000.00-- --- 1,000,000.00 --- --- 1,000,000.00 ---

3、长期投资减值准备

长期股权投资减值准备：

被投资单位名称	年初数	本年增加	本年减少	年末数	备注
电化联营厂	200,000.00	---	---	200,000.00	该投资估计无法收回
天地氯碱化工公司	1,400,000.00	---	---	1,400,000.00	系摊派投资，历年无返利
上海管理大厦	100,000.00	---	---	100,000.00	系摊派投资，历年无返利
上海电子材料开发公司	100,000.00	---	---	100,000.00	系摊派投资，历年无返利
上海企业管理协会	50,000.00	---	---	50,000.00	系摊派投资，历年无返利
上海文化发展基金会	2,000,000.00	---	---	2,000,000.00	系摊派投资，历年无返利
上海水仙电器股份有限公司	9,440,000.00	---	---	9,440,000.00	公司净资产负数
合 计	<u>13,290,000.00</u>	<u>0.00</u>	<u>00.00</u>	<u>13,290,000.00</u>	

4、长期投资年末数比年初数增加 20,709,595.95 元，增加比例为 2.05%，增加原因主要为：本年追加对上海华胜化工有限公司、上海联恒异氰酸酯有限公司、上海亨斯迈聚氨酯有限公司、上海新天原化工物流有限公司的投资。

(四) 主营业务收入、成本：

主营业务种类	主营业务收入		主营业务成本	
	本年累计数	上年同期数	本年累计数	上年同期数
工业	1,816,865,647.99	1,706,070,533.49	1,670,740,212.51	1,390,074,717.63

(五) 投资收益：

1、本年累计数

类别	股票投资收益	债权投资收益	成本法下确认的股		权益法下确认的股		股权投资差额摊销	处置收益	减值准备	合计
			权投资收益	权投资收益	正常摊销	应减值而转销				
短期投资	---	---	---	---	---	---	---	---	---	---
长期股权投资	288,645.20	---	455,906.34	2,778,944.81	---	---	---	---	---	3,523,496.35
长期债权投资	---	---	---	---	---	---	---	---	---	---
合计	<u>288,645.20</u>	---	<u>455,906.34</u>	<u>2,778,944.81</u>	---	---	---	---	---	<u>3,523,496.35</u>

2、上年同期数

类别	股票投资收益	债权投资收益	成本法下确认的股	权益法下确认的股	股权投资差额摊销	处置收益	减值准备	合计
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		股权投资收益	股权投资收益	正常摊销	应减值而转销				
短期投资	---	---	---	---	---	---	---	---	---
长期股权投资	831,697.05	---	491,962.16	-4,982,133.07	---	---	---	---	-3,658,473.86
长期债权投资	---	---	---	---	---	---	---	---	---
合计	<u>831,697.05</u>	<u>---</u>	<u>491,962.16</u>	<u>-4,982,133.07</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>-3,658,473.86</u>

七、关联方关系及其交易：

(一) 存在控制关系的关联方情况：

1、存在控制关系的关联方：

(1) 控制本公司的关联方：

企业名称	注册地址	主营业务	与本企业关系	经济性质或类型	法定代表人
上海天原(集团)有限公司*	浦东南路 1171 号	贸易投资	国家股管理单位	国有企业	张瑞岳

*上海华谊(集团)公司系公司的国家股授权经营单位。注册资本：406,624 万元。经营范围：授权范围内国有资产经营和管理、实业投资等。注册地址：上海徐家汇路 560 号。法定代表人：张培璋。上海华谊(集团)公司通过上海天原(集团)有限公司控股本公司。上海天原(集团)有限公司系上海华谊(集团)公司的全资子公司，持有公司国有股 611,510,647 股，占公司股本总额的 52.51%。

(2) 受本公司控制的关联方：

详见附注四。

2、存在控制关系的关联方的注册资本及其变化(单位：万元)

企业名称	年初数	本年增加	本年减少	年末数
上海天原(集团)有限公司	74,912.73	---	---	74,912.73
上海氯碱化工贸易有限公司	10,000.00	---	---	10,000.00
苏州姑苏经济发展总公司	1,000.00	---	---	1,000.00
姑苏坝基桥停车场	74.30	---	---	74.30
上海天原(集团)高分子材料有限公司	3,200.00	---	---	3,200.00
上海金源自来水有限公司	900.00	---	---	900.00
上海达凯塑胶有限公司	4,347.76	---	---	4,347.76
上海华鸿管廊有限公司	4,000.00	---	---	4,000.00
上海新天原化工物流有限公司	9,90.00	1,950.00	---	2,940.00
上海新天原化工运输有限公司	---	108.00	---	108.00

3、存在控制关系的关联方所持股份及其变化:(单位：万元)

企业名称	年初数	本年增加	本年减少	年末数
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	金额	%	金额	%	金额	%	金额	%
上海天原(集团)有限公司	61,151.10	52.51	---	---	---	---	61,151.10	52.51
上海氯碱化工贸易有限公司	9,000.00	90.00	---	---	---	---	9,000.00	90.00
苏州姑苏经济发展总公司	800.00	80.00	---	---	---	---	800.00	80.00
姑苏坝基桥停车场	74.30	100.00	---	---	---	---	74.30	100.00
上海天原(集团)高分子材料有限公司	3,200.00	85.00	---	---	---	---	3,200.00	85.00
上海金源自来水有限公司	700.00	77.78	---	---	---	---	700.00	77.78
上海达凯塑胶有限公司	3,912.98	90.00	---	---	---	---	3,912.98	90.00
上海华鸿管廊有限公司	2,800.00	70.00	---	---	---	---	2,800.00	70.00
上海荣达仓储运输公司	50.00	100.00	---	---	---	---	50.00	100.00
上海新天原化工物流有限公司	490.00	49.50	1,950	33.49	---	---	2,440.00	82.99

(二) 不存在控制关系的关联方情况:

企业名称	与本公司的关系
上海氯威塑料有限公司合营企业	
上海百士高塑胶有限公司	受同一母公司控制
上海氯碱实业总公司	受同一母公司控制
洋浦乐欣实业有限公司	受同一母公司控制
上海染料有限公司	受同一母公司控制
上海三爱富新材料股份有限公司	受同一母公司控制
太平洋生物高科技有限公司	受同一母公司控制
上海天原国际贸易有限公司	受同一母公司控制
上海氯碱创业有限公司	受同一母公司控制
上海天原集团胜德塑料有限公司	受同一母公司控制
北京英兆信息技术有限公司	控股子公司
上海氯碱化工房产经营开发公司	联营企业
上海天原物流有限公司	联营企业
上海天原货运有限公司	联营企业
上海天坛助剂有限公司	联营企业
吴县市天原硝石灰厂	联营企业
上海华胜化工有限公司	联营企业
上海工程化学设计院有限公司	联营企业
上海亨斯迈聚氨脂有限公司	联营企业

(三) 关联方交易：

1、存在控制关系且已纳入本公司合并会计报表范围的子公司，其相互间交易及母子公司交易已作抵销。

2、不存在控制关系的关联方交易：(金额单位：万元)

(1) 向关联方采购货物：

关联方名称	本年发生数	上年发生数
上海氯碱创业有限公司	934.70	233.30
上海天原国际贸易有限公司	8,515.63	25,396.84

向关联方采购的交易价格参照市场价。

(2) 向关联方销售货物：

关联方名称	本年发生数	上年发生数
上海天原(集团)有限公司	0.53	0.80
上海氯威塑料有限公司	104.40	148.81
上海百士高塑胶有限公司	28.76	182.00
上海天原国际贸易有限公司	11,461.53	1,627.10
上海氯碱创业有限公司	2,926.72	5,808.77
上海新天原物流有限公司	---	5.89
上海三爱富新材料股份有限公司	1,248.36	2,020.32
上海天坛助剂有限公司	---	3,558.96

向关联方销售货物的交易价格参照市场价。

(3) 关联方应收应付款项余额：(金额单位：万元)

	本期末	上年末
应收帐款：		
上海天原(集团)有限公司	368.92	368.30
上海氯威塑料有限公司	643.81	593.60
上海百士高塑胶有限公司	10.92	37.47
上海氯碱创业有限公司	778.72	501.49
上海天原国际贸易有限公司	11,642.00	52.44
上海三爱富材料股份有限公司	583.01	295.21

应收票据

上海氯碱创业有限公司	---	110.00
预付帐款：		
上海天原国际贸易有限公司	---	2,023.59
其他应收款：		
上海氯威塑料有限公司	7.43	5.03
上海百士高塑胶有限公司	1,352.05	1,346.62
上海氯碱化工房产经营开发公司	1,545.86	1,519.20
洋浦乐欣实业有限公司	3,934.42	3,934.42
上海天原（集团）有限公司	31,311.14	31,283.46
太平洋生物高科技有限公司	1,560.00	1,560.00
上海化学设计院有限公司	239.63	164.14
上海天原货运有限公司	18.94	---
其他应付款：		
上海氯碱创业有限公司	84.94	63.62
上海化学设计院有限公司	146.71	18.53

3、其他关联方交易事项：

(1) 为关联方提供担保情况：

为关联方提供担保情况详见附注八。

八、或有事项：

(一) 未决诉讼：本公司控股子公司上海氯碱化工贸易有限公司所涉及的 2005 年初进口化工原料诈骗案，本报告期内有新的进展。其中：

1、诉上海子能企业发展有限公司 588 万元买卖合同纠纷案，上海市第一中级人民法院于 2005 年 4 月 13 日公开开庭进行了审理。被告经法院合法传唤未到庭，法院依法进行了缺席审理。上海氯碱化工贸易有限公司因与被告其他的交易关系应退还被告 1934165 元，且被告已于起诉后退还上海氯碱化工贸易有限公司 30 万元，因此，上海氯碱化工贸易有限公司愿意在诉讼标的中作抵扣，诉讼标的改为 3645835 元。经审理，法院判决如下：
1) 原告上海氯碱化工贸易有限公司与被告上海子能企业发展有限公司于 2004 年 11 月 30 日签订的《购销合同》解除；2) 被告上海子能企业发展有限公司于判决生效之日起十日内退还原告上海氯碱化工贸易有限公司货款人民币 3645835 元。如不服本判决，可在

判决送达之日起十五日内,向上海市第一中级人民法院递交上诉状,并可上诉于上海市高级人民法院。该案已审理终结。

2、诉上海子能经贸有限公司、上海子能企业发展有限公司、上海子能高科股份有限公司、上海子能制药有限公司及刘丽媚、刘红兵、刘涛、刘蔚崧、刘新华 1300 万元买卖合同纠纷案,上海市第一中级人民法院于 2005 年 7 月 13 日开庭审理,被告上海子能高科股份有限公司、上海子能制药有限公司到庭应诉。由于该案被告没有全部出庭,法院无法查清事实,因此,未当庭判决,该案仍在审理之中。

(二) 截止 2005 年 6 月 30 日公司为关联方及其他单位提供债务担保形成的或有负债:

单位:万元

序号	被担保单位	担保事由及用途、贷款银行	担保额			债务到期日
			币种	金额	折合人民币	
1	吴泾化工有限公司	醋酸项目,工行外滩支行	USD	324.34	2,684.44	2005.12
2	上海焦化有限公司	三联供项目,建行市分行	欧元	1,473.01	15,228.42	2023.10
3	上海焦化有限公司	固定氨分解项目,中国进出口银行	挪威克郎	273.48	337.31	2005.11.8
4	上海亨斯迈聚氨酯有限公司	项目,银团	USD	360.00	2,979.61	2015.11
5	上海亨斯迈聚氨酯有限公司	项目,银团	RMB	2,400.00	2,400.00	2015.11
6	上海华鸿管廊有限公司	项目,建行四支行	RMB	4,200.00	4,200.00	2009.12
7	上海联恒异腈酸脂有限公司	项目,银团	RMB	5,820.00	5,820.00	2014.12
8	上海联恒异腈酸脂有限公司	项目,银团	USD	510.00	4,221.12	2014.12
9	宁夏西部聚氯乙烯有限公司	项目,中国建设银行	RMB	<u>10,200.00</u>	<u>10,200.00</u>	2011.01
10	上海赫克力士化工有限公司	流动资金,工行外滩	RMB	<u>1,000.00</u>	<u>1,000.00</u>	2005.10
合计			=	<u>49,070.90</u>		

九、承诺事项:

(一) 对外经济担保事项详见附注八。

(二) 已签订的尚未履行或尚未完全履行的对外投资合同及有关财务支出:

1、经公司 2003 年 12 月 23 日召开的临时股东大会决议通过:同意公司按出资比例为合资企业上海亨斯迈聚氨酯有限公司项目贷款提供 13,368 万元人民币及 867 万美元的担保,为其流动资金贷款提供 8,784 万元人民币的担保;截至 2005 年 6 月 30 日,实际已履行的金额为 2,400 万元人民币及 360 万美元。同意公司按出资比例向上海联恒异腈酸脂有限公司项目贷款提供 16,340 万元人民币及 1,315.5 万美元的担保,为其流动资金贷款提供 568.5 万元的担保。截至 2005 年 6 月 30 日,实际已履行的金额为 5,820

万元人民币及 510 万美元。

2、经外经贸委外经贸资二函[2003]119 号文批准,公司与巴斯夫亨斯迈上海异氰酸脂有限公司、上海华谊(集团)公司、中国石化上海高桥石油化工公司共同投资设立上海联恒异氰酸脂有限公司,注册资本 93,307.7 万元人民币,其中:公司出资额为 13,996.2 万元人民币。截至 2005 年 6 月 30 日,公司第一、二、三、四期已累计出资人民币 9,097.50 万元,根据有关协议、章程的规定,剩余出资额应于 2006 年 6 月 13 日前缴足。

3、经外经贸委外经贸资二函[2003]120 号文批准,公司与亨斯迈中国投资有限公司共同投资设立上海亨斯迈聚氨脂有限公司,注册资本 5,937 万美元,其中:公司出资额为 1,781.1 万美元。截至 2005 年 6 月 30 日,公司第一、二、三期已出资人民币 9,582.08 万元,根据有关协议、章程的规定,剩余出资额应于 2006 年 6 月 11 日前缴足。

(三) 其他重大财务承诺事项:

截止 2005 年 6 月 30 日,公司资产抵押情况:

子公司上海金源自来水有限公司以土地使用权和房屋建筑物作抵押,取得中国农业银行上海市金山支行贷款 130 万元,贷款到期日 2006 年 3 月 15 日。

十、资产负债表日后事项:

截止报告日公司无需要披露的资产负债表日后事项。

十一、其他重要事项:

截止报告日公司无需要披露的其他重要事项。

十二、补充资料

本年度非经常性损益列示如下:(单位:人民币元)

项 目	金 额
(一) 处置长期股权投资、固定资产、在建工程、无形资产、其他长期资产产生的损益	-7,238.39
(二) 越权审批或无正式批准文件的税收返还、减免	---
(三) 各种形式的政府补贴	---
(四) 短期投资收益	---
(六) 扣除公司日常根据企业会计制度规定计提的资产减值准备后的其他各项营业外收入、支出	2,311.96

(六) 以前年度已经计提各项减值准备的转回	---
合 计	<u>-4,926.43</u>

注：上表列示的金额已剔除少数股东份额和所得税影响。

第八节 备查文件目录

- (一) 载有公司董事长亲笔签名的半年度报告文本；
- (二) 载有法定代表人、主管会计负责人、会计机构负责人签名并盖章的财务报表；
- (三) 报告期内在中国证监会指定报纸上公开披露过的所有公司文件的正本及公告的原稿；
- (四) 上海氯碱化工股份有限公司章程。

上述备查文件在中国证监会、证券交易所要求提供时和股东依据法规或公司章程要求查阅时，公司及时提供。

董事长：王 强
上海氯碱化工股份有限公司
二〇〇五年八月二十七日

Shanghai Chlor-Alkali Chemical Co., Ltd.

2005 Interim Report

600618

August 27, 2005

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1. Important Notice

The Board of Directors of the Company and all its members declare: 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.

Rong Guangdao, independent director, had asked for leave and did not attend the Board meeting. All the rest Directors make no declaration that they cannot ensure for or have objection on the truth, accuracy and completeness of the contents of the Report.

Mr. Wangqiang, Chairman of the Board, Mr. Li Jun, General Manager and being in charge of the accounting work, Mr. Chang Qing, the Controller, and Ms. Li Ning, the manager of finance department, declare to guarantee the truth and completeness of the financial report in this Interim Report.

The Company's interim financial report has not been unaudited.

2. A Brief Introduction to the Company

1. Legal Chinese Name of the Company: 上海氯碱化工股份有限公司

Legal English name of the Company: Shanghai Chlor-Alkali Chemical Co., Ltd.

Abbreviation: SCAC

2. Stock exchange for listing of the Company's shares: Shanghai Stock Exchange

Stock name: Chlorine Alkali Chemical Chlorine Alkali B share

Stock code: 600618 (A share) 900908 (B share)

3. Registered address and business address of the Company: No.4747 Longwu Road,
Shanghai

Zip code: 200241

Tel.: 021 - 64340000

Website: www.scacc.com

4. Legal representative of the Company: Wang Qiang

5. Secretary of the Board of Directors: Xu Peiwen

Securities representative of the Board of Directors: Shen Qinyi

Contact add.: 4747 Longwu Rd., Shanghai

Tel.: 021-64342640

Fax: 021-64341341

Zip code: 200241

E-mail: shxpw@21cn.com

shqy0227@126.com

6. Newspapers for information disclosure selected by the Company :

Shanghai Securities News, China Securities News and Hong Kong Commercial Daily

Website appointed by the China Securities Regulatory Committee for publishing interim report: <http://www.sse.com.cn>

Place for storing interim reports : Urban area office of the office of the Board secretary

Contact add.: 17/F 1271 Pudong Nan Rd., Shanghai

Tel.: 021-58829587

Fax: 021-58829587

Zip code: 200122

7. Other relevant information:

Date of first registration: July 4, 1992

Date of alteration registration:

Sep. 11, 2000, change the registered capital because of offering bonus share.

Alter the legal representative, general manager, etc. on Jan. 11, 2001

The legal representative was changed on July 27, 2005

The Company's address for the first registration: 4747 Longwu Rd., Shanghai

Registration no. of business license: Qiguhuzongzi No. 019017

Tax registration no.: 310043607200180

Domestic accounting firm for audit engaged by the Company: Shanghai Lixin Changjiang
Certified Public Accountants

Business address: Floor 4, 61 Nanjing Dong Rd., Shanghai

Overseas accounting firm for audit engaged by the Company: Horwath Hong Kong CPA
Limited

Business address: 20/F Central Plaza 18 Harbour Wanchai, Hong Kong

8. Financial highlights:

1) Details of main financial data and indexes of the Company in the report period

Unit: RMB Currency: Renminbi

Item	End of the report period	End of last year	Increase or decrease of end of the report period than the beginning of the year (%)
Current assets	1,518,958,333.20	1,750,671,292.62	-13.23
Current liabilities	1,587,183,135.59	1,724,411,591.39	-7.96
Total assets	5,031,821,970.27	5,181,043,076.08	-2.88
Shareholders' equity (minority equity excluded)	2,874,661,255.31	2,919,459,709.28	-1.53
Net assets per share	2.4686	2.51	-1.65
Net assets per share after adjustment	2.0553	2.09	-1.66
	Report period (January to June)	Same period of last year	Increase or decrease (%).
Net profit	-40,443,173.53	75,240,958.05	-153.75
Net profit after non recurrent gain and loss	-40,438,247.10	77,196,150.15	-152.38
Earnings per share	-0.03473	0.06461	-153.75
Earning rate of net assets fully diluted (%)	-1.4069	2.5624	-154.91
Earning rate of net assets weighted average (%)	-1.3960	2.5952	-153.79
Net balance of cash flow from operating activities	53,724,440.71	127,054,414.47	-57.72

2) Items of non-recurrent profit and loss

Unit: RMB Currency: Renminbi

Items of non-recurrent profit and loss	Amount
Profit and loss from disposal of long-term equity investment, fixed assets, construction in progress, intangible assets and other long-term assets	-7,238.39
Non-business revenue and expenditure	2,311.96
Total	-4,926.43

- 3) Earning rate of net assets and earnings per share calculated according to the No.9 Editing Rule for Information Disclosure of Publicly Listed Companies issued by China Securities Regulatory Committee

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	5.5354	5.4926	0.13665	0.13665
Business profit	-1.5219	-1.5101	-0.03757	-0.03757
Net profit	-1.4069	-1.3960	-0.03473	-0.03473
Net profit after non recurrent profit and loss	-1.4067	-1.3958	-0.03473	-0.03473

3. Changes in share capital and shareholding of principal shareholders

1. There was no change in the Company's structure of share capital during the report period.

2. Information of shareholders

1) At the end of the report period, there are totally 83,143 shareholders, including 20,022 holders of A share and 63121 holders of B share.

2) There is one shareholder with shares accounting for more than 5%, Shanghai Huayi (Group) Co., Ltd.; the shares are state-owned and were not pledged or frozen or changed during the report period.

3) Top 10 shareholders of the Company at the end of the report period:

Unit: Share

No.	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)	Number of shares pledged or frozen	Nature of shareholder (state-owned shareholder or foreign capital shareholder)
1	Shanghai Huayi (Group) Company		611,510,647	52.51	Untradable	None	State-owned shareholder
2	Ningbo Jin Gang Trust Investment Co., LTD		6,050,000	0.52	Untradable	None	Legal person shareholder
3	Shanghai Chlor-Alkali Chemical Multi-Purpose Company		5,685,576	0.49	Untradable	None	Legal person shareholder
4	Shen & Wanguo Securities Co., Ltd.		5,057,833	0.43	Untradable	Unknown	Legal person shareholder
5	Shanghai Tianyuan (Group) Co., Ltd.		4,713,697	0.40	Untradable	None	Legal person shareholder
6	DEBORAH WANG LIN		3,523,000	0.30	Tradable	Unknown	Foreign capital shareholder
7	DAIWA SECURITIES SMBC HONG KONG LTD - CLIENTS ACCOUNT		3,140,500	0.27	Tradable	Unknown	Foreign capital shareholder
8	Shanghai Chlor-Alkali Chemical Real Estate Development Company		3,049,200	0.26	Untradable	None	Legal person shareholder
9	Shanghai Management Center of Public Reserve Fund		3,049,200	0.26	Untradable	Unknown	Legal person shareholder
10	China Merchants Development Co., Ltd.		2,970,000	0.255	Tradable	Unknown	Foreign capital shareholder

Remark on associative relations between the top 10 shareholders or their concerted actions:

The Company has associative relations with No.1, No.5 and No.8, among which, No.8 is the participating subsidiary of the Company, Shanghai Huayi (Group) Company is the authorized sales unit of state-owned shares and Shanghai Tianyuan (Group) Co.,

Ltd. is authorized management unit of state-owned shares. It is unknown that whether there is associative relation among the holders of legal person share and tradable share or not.

4) Top 10 shareholders of tradable shares of the Company at the end of the report period

Unit: Share

No.	Name of shareholder (in full)	Number of tradable shares held at the end of the report period	Kinds (A, B, H share or other)
1	DEBORAH WANG LIN	3,523,000	B share
2	DAIWA SECURITIES SMBC HONG KONG LTD - CLIENTS ACCOUNT	3,140,500	B share
3	China Merchants Development Co., Ltd.	2,970,000	B share
4	NAITO SECURITIES CO., LTD.	2,554,304	B share
5	ZHANGYAN	2,387,762	B share
6	MEESPIERSON ASIA LTDASIA LTD.	2,321,241	B share
7	Wang Minglong	1,528,800	B share
8	Yu Yusheng	1,359,300	B share
9	TOYO SECURITIES ASIA LTD. A/C CLIENT	1,205,270	B share
10	Shanghai International Trust & Investment Company	1,165,472	B share

Remark on associative relations between the top 10 holders of tradable share or their concerted actions:

It is unknown to the Company whether there is associative relations or concerted actions among the top 10 holders of tradable share or not.

Remark on associative relations or concerted actions between the top 10 holders of tradable share and the top 10 shareholders:

It is unknown to the Company whether there is associative relations or concerted actions specified in Management Method for Information Disclosure for Change of Shares Held by the Shareholders of Listed Companies between the top 10 holders of tradable share and the top 10 shareholders.

5) During the report period the Company did not change its controlling shareholder and actual controller.

4. Information of Directors, Supervisors and Senior Executives

1. There is no change in shares of the Company held by Directors, Supervisors, and senior executives of the Company during the report period.
2. Engagement and dismissal of Directors, Supervisors and senior executives of the Company during the report period.
 - 1) On March 7, 2005, the Company convened the 2004 annual general meeting of shareholders and elected Mr. Gu Lili as member of the Company's 5th Supervisory Committee.
 - 2) On March 16, 2005, the company convened the 7th meeting of the 5th Supervisory Committee and elected Mr. Gu Lili as vice chief supervisor of the the Company's 5th Supervisory Committee.
 - 3) On April 28, 2005, Zhoubo, former Chairman of the Board of the Company, went to work for the municipal government due to shift of work. Based on the "Company Law of the People's Republic of China" and the "Listing Rules of Share" of Shanghai Stock Exchange, he could not assume the post of Director and Chairman of the Board. sp requested to resign from the post of Director and Chairman of the Board of the Company. This matter was announced on April 29, 2005. For details, please see the announcement published in the website of Shanghai Stock Exchange and China Securities News, Shanghai Securities News and Hong Kong Commercial Daily.
 - 4) On June 13, 2005, the Company convened the first provisional shareholders' meeting of 2005, which elected Mr. Wang Qiang as the Director of the Company's 5th Board of Directors.
 - 5) On June 13, 2005, the Company convened the 4th meeting of 5th Board of Directors, which elected Mr. Wang Qiang as the Chairman of 5th Board of Directors.

5. Discussion and Analysis by the Management

1. Discussion and analysis on the Company's overall operation status during the report period
During the report period the Company realized main business income of RMB 1,967,000,000, decreased by RMB 381,000,000 or 16.24% than the same period of last year; realized net profit of RMB 40,440,000, decreased by RMB 115,680,000 or 153.75% than the same period of last year. The Company has got operational loss. The main reason causing such loss is market factor and price increasing of raw material and energy.

1) The overdevelopment of PVC industry, causes the change of market structure. In the first half year of 2005, the expand speed of production capacity of PVC devices in China, was much higher than the increasing speed of demand; especially, the calcium carbide process PVC has expanded exceptionally, not only meeting the market demand, but also making the market price fall by nearly 30%,

2) The fluctuation of the price of main material ethylene and ethylene dichloride, and the increasing of raw material, such as electricity, industrial salt, make the Company's main business cost further increasing. In the first half year of 2005 due to increasing of the price of industrial salt, the Company's main business cost increased by RMB 50,000,000.

3) In April 2005 the Company arranged to stop production and make overhaul on the equipment, so in this month it got loss of RMB 34,000,000.

4) Strived to expand export volume of sodium hydroxide to reduce the loss. Under the severe loss of PVC products, the Company strived to catch the market for its another leading product sodium hydroxide, expanding the export volume of sodium hydroxide in great efforts. The export volume of sodium hydroxide in the first half year of 2005 increased by 34.66% than the same period of 2004, and this also helps to stabilize the domestic market for sodium hydroxide. During the report period the gross profit rate of sodium hydroxide reached 35.64%, increasing by 44.5% than the same period of 2004 and reducing the amount of loss.

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

1) Range of the Company's main business

The Company belongs to the industry for basic chemical raw materials, mainly engages with PVC, sodium hydroxide, chlorine series and other basic chemical raw materials and processed products.

2) The Company's production operating status

(1) Change of main business income, main business profit, net profit, cash and cash equivalents:

Unit: RMB'0000

Item	Jan.-June 2005	Jan.-June 2004	Ratio of increase or decrease (%)
Main business income	196,726.73	234,859.94	-16.24
Main business profit	15,912.30	35,393.37	-55.04
Net profit	-4044.32	7,524.10	-153.75
Net increase of cash and cash equivalents	-19,703.84	-9,963.52	-97.76

Notes:

- a. Reason for decrease of main business income: In the first half year the Company made a overhaul for its production equipment and the sales price for its leading product PVC decreased.
- b. Reason for decrease of main business profit and net profit: Overhaul of production equipment, decreasing of leading product PVC's price and the increasing of main raw material ethylene and main energy, have caused the decreasing of the Company's profit.
- c. The reason for decreasing of net increase of cash and cash equivalents: Consolidation range has been changed, profitability of leading products has decreased, loan for the project of 70,000 tons specific resin has been refunded.

(2) Change of total assets and shareholders' equity

Unit: RMB'0000 Currency: Renminbi

Item	June 30, 2005	June 30, 2004	Ratio of increase or decrease (%)
Total assets	503,182.20	521,996.10	-3.60
Shareholders' equity	287,466.13	293,636.00	-2.10

3) Business or products accounting for 10% or above of the Company's main business income or main business profit during the report period

(1) Products accounting for 10% or above of the main business income in the report period

Unit: RMB Currency: Renminbi

Item	Main business income	Main business cost	Gross profit rate (%)	Increase or decrease of main business income than the	Increase or decrease of main business cost than the same	Increase or decrease of gross profit rate than the same

				same period of last year (%)	period of last year (%)	period of last year (%)
PVC	1,173,223,825.38	1,225,010,137.24	-4.41	-10.96	9.03	-19.14
Sodium hydroxide	340,166,251.24	218,944,928.37	35.64	44.45	10.74	19.59
Chlorine products	285,760,970.33	206,761,549.76	27.65	2.61	9.02	-4.25
Granular material and other	191,373,747.02	175,829,753.27	8.12	-62.99	-62.82	-0.40
Incl.: Associative transactions	23,257,468.08	21,387,567.65	8.04	-33.05	-24.44	-10.48
Total	1,990,524,793.97	1,826,546,368.64	8.24	-16.48	-9.51	-7.07
Pricing principle of associative transaction	Make market price as pricing principle of associative transactions					
Remark on necessity and sustainability of associative transactions	The transactions between the Company and its associative parties, are the supplement and requirements for the Company's daily production and operation, they are sustainable.					

Including: During the report period the total amount of the associative transactions for the listed company selling its products to its controlling shareholder and subsidiaries was RMB 157,703,000.

(2) Products accounting for 20% or above of the main business profit in the report period
Unit: RMB Currency: Renminbi

Item	Main business profit	Ratio
PVC	-54,521,124.62	-34.26%
Sodium hydroxide	120,349,676.59	75.63%
Chlorine products	78,285,690.46	49.20%

4) The significant change of profit structure, main business, main business profitability during the report period

Unit: RMB'0000 Currency: Renminbi

Date	Main business profit	Ratio in main business profit (%)	Gross profit rate (%)
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	PVC	Sodium hydroxide	PVC	Sodium hydroxide	PVC	Sodium hydroxide
06/30/2004	18,749.61	3,652.10	58.97	10.32	14.73	16.05
06/30/2005	-5,452.11	12,034.97	-34.26	75.63	-4.41	35.64

Notes:

1. The price of the raw material of the Company's leading product PVC increases greatly and the sales price of PVC decreases greatly, so the main business profit for PVC becomes negative, the ratio in the total profit of the Company has decreased from 58.97% to -34.26% and the profit structure has got significant change as compared with the same period of last year.
 2. The price of the Company's another leading product sodium hydroxide increases stably, the gross profit rate increases greatly, so the main business profit for it increases greatly and its ratio in the total profit of the Company has increased from 10.32% to 75.63% and the profit structure has got significant change as compared with the same period of last year.
- 5) Operation status and results of the invested companies with the impact of its investment earnings to the Company's net profit reaching 10% or higher

Unit: RMB'0000 Currency: Renminbi

Name of company	Business nature	Main product or service	Net profit	Investment earnings from the invested company	Ratio in the net profit of the listed company (%)
Shanghai Da Kai Plastics Co., Ltd.	Plastic membrane and its further processing	Main business scope is to produce plastic film and the further-processed products, produce and sell the substrates of card base of various credit card.	613.70	552.33	13.66

6) Problems and difficulties in operation:

- 1) **The hysteresis effect of macro adjustment produces impact.** Due to the impact of the macroeconomic regulation and control by the state, the building material factories and the enterprises using PVC as raw material in northern China are of insufficient production capacity, so the market demand for PVC increases very slowly.
- 2) **The profit space for PVC is becoming smaller gradually.** It is expected that at the end of 2005 the capacity of PVC device shall reach 9,000,000 tons, so the domestic PVC market shall change from the situation that self produced products and imported products should be complemented to the situation that production volume is greater than demand

and export can help to maintain balance. Such change, in addition to the further enhance of the ratio of PVC made with calcium carbide process in the total amount, to 70% or higher, shall make big negative impacts on the price of PVC, especially to the factories making PVC with ethylene method.

3) Short of fund and overhigh financial expenses. Too much investment demanding large volume of fund, makes financial expenses increasing greatly due to the financing through bank. The long investment earning period causes no cash return in short period.

Therefore in the second half-year the Company shall, based on market change, make benefit maximization as its object, organize production and operation carefully, adjust production layout, sell its products based on market demand, enhance production quality, save energy and reduce consumption, strengthen expenses control and improve investment management. It shall make every efforts to reduce loss in the 3rd quarter.

3. Investment during the report period

1) During the report period the Company did not raise any capital, neither had any raised capital before the report period going down to this period.

2) The important projects with non-raised capital, progress of the projects and the benefits of them

(1) The polycarbonate project with the capacity of 200,000 tons per year now is just in the period of equipment installation. In this project, the equipment installation for mixing up project has been basically completed. The test running for first production line was already completed at end of June 2005. For other three production lines and one test line, the equipment installation have already completed and now are just in the process of debugging. For details, please see the Company's 2004 annual report published in China Securities News, Shanghai Securities News and Hong Kong Commercial Daily (the announcements in following sections are all published in these three newspapers) on Feb. 1, 2005.

(2) For the joint venture project with the capacity of 240,000 tons of isocyanate per year, the construction is going smoothly, the construction for cogenerator and solid dock is going stably as per the scheduled plan. During the report period the Company completed financial contribution of RMB 29,992,310 and US\$ 3,562,200 on February 18, 2005. At present for the project the Company has totally contributed RMB 90,975,007 and US\$ 11,577,150, accounting for 65% of the total amount of contribution the Company should made. For details please see above.

(3) For the first stage of PVC project in Shanghai Chemical Zone, the designing and civil

work have already completed. Now it is just in the stage of equipment installation. For the project's auxiliary project Huasheng Self-equipped Dock, the start ceremony was held on March 18, 2005. During the report period the construction of approach bank, pile-sinking of approach bridge and construction of drilled and grouted pile were completed. As of July 14, 2005, the pile-sinking of dock and design of working drawing have been completed. At present it is just making break-ground construction in the land area part. During the report period for the first-stage construction of PVC project in Shanghai Chemical Zone and auxiliary dock project, capital increase of RMB 89,000,000 was completed. The Company made capital increase of RMB 39,160,000 according to its 44% investment ratio on April 15, 2005. At present the certification of registered capital and the procedure for industrial & commercial change have been completed. For details please refer to the Company's 2004 annual report on February 1, 2005 and the Company's first quarterly report of 2005 on April 26, 2005.

- (4) The project of realization of an annual output of 120,000 tons of PVC and 100,000 tons of sodium hydroxide of West Ningxia PVC Co., Ltd. was formally electrified on 10:30 a.m. of June 16 and the transport succeeded at a time, which marked the Company's acquisition of fruits at one phase in its West strategy and in project of Shanghai's supporting West. It is expected that the company will realize profit of RMB 50,000,000 within the year. For details please refer to (idem.).
- (5) The initial plan of technological improvement project of 50,000 tons of PVC per year was approved in April 2005; Piling foundation was finished in May 2005 and maintenance of it was finished in June. At present, the Company is inviting bid and examining the construction drawing of civilwork. For details please refer to (idem.).
- (6) The green moving in Minhang District as part of the Wucao ethylene tube line Project of Shanghai Huahong Guanglang Co., Ltd. began in May 2005; moving of residents in Pujiang Town is still underway. At present, Shanghai Huahong Guanglang Co., Ltd. is pressing on with coordination of all relevant parties and strives to have completed the construction of the project by September 2005. On July 18, 2005, Shanghai Huahong Guanglang Co., Ltd. officially unveiled, which symbolized the complete approach to market-oriented operation of Shanghai Huahong Guanglang Co., Ltd.. For details please refer to (idem.).
- (7) The preparation work of the production expansion project of 40,000 tons per year has been fully launched; pre-appraisal of sanitation was completed in May 2005 and pre-appraisal of risk in occupational disease and safety were drafted and examined in

June. At present, it is carrying on on-site environment supervision, crucial equipment and technology communication and rebuilding and moving of old factory buildings and facilities. For details, please refer to the Company's first quarterly report of 2005 on April 26, 2005.

- (8) Project of (Bayer) PC warehouses and packings used to provide auxiliary logistics service to 100,000 tons of polycarbonate products per year for Bayer (Shanghai) Polymers Co., Ltd. contracted and built by Shanghai Xintianyuan Chemical Logistics Co., Ltd. has totally absorbed investment of RMB 135,750,500 with capital of RMB 40,720,000. Including: total investment of RMB 69,465,600 for storage project, capital in cash of RMB 20,840,000; total investment of RMB 66,284,999 for package project, capital in cash of RMB 19,880,000, planned to be completed in September of 2006. Therefore Shanghai Xintianyuan Chemical Logistics Co., Ltd. needs to make capital increase of RMB 39,000,000. Through the consultation of the shareholders, the Company makes capital increase of RMB 29,000,000. After the capital increase the Company holds 84.9% equity interest, Shanghai Chlor-Alkali Chemical Trade Co., Ltd. holds 25.4% equity interest, Wujing Economic Development Company holds 5.3% equity interest and Shanghai Chlor-Alkali Creation Co., Ltd. holds 4.9% equity interest. In March 2005 the Company made contribution of RMB 14,500,000 and this investment has completed the procedure for certification of capital. During the report period the PC storage project formally entered the storage service period of Bayer. Now the establishment of that project feasibility report is just in progress. For the PC package project, all such work, the examination and approval of project, negotiation of service contract, bid-invitation for major equipment, coordination for detailed designing and optimization for approval of project have been completed. At present for the project the first-phase preparations of construction is just in progress.

4. The net profit of next report period compared with the same period of last year

In the first half of this year the Company realized net profit of RMB -40,440,000. In the second half-year, because the Company's leading product PVC will still be facing the rising of price of its raw material ethylene and the uncertainty of rising of the sales price for the products, so the net profit at end of next report period shall still be of loss.

6. Major events

1. The Company's operating status does not have any difference from the relevant documents of China Securities Regulatory Committee, neither needs to get modification.
2. The Company does not have profit distribution plan drafted in previous period but exercised in the report period.
3. The Company does not distribute profit, neither transfer public reserves to share capital for the report period.

- 1) Significant lawsuits and arbitrations during the report period or in previous period but going down to the report period

The swindle case about chemical raw material exported at beginning of 2005 involved with the Company's controlled subsidiary Shanghai Chlor-Alkali Chemical Trade Co., Ltd., got new progress during the report period. The details are as follows:

- (1) For the case on the disputes of sales contract with the value of RMB 5,880,000 suing Shanghai Zineng Enterprise Development Co., Ltd., the Shanghai No. 1 Intermediate People's Court opened the session on April 13, 2005. The defendant did not appear the court even after the legal summon by the court, and the court made a default inquisition at law. The Shanghai Chlor-Alkali Chemical Trade Co., Ltd. should refund the defendant RMB 1934165 due to other deals with the defendant and the defendant has already refunded Shanghai Chlor-Alkali Chemical Trade Co., Ltd. RMB 300,000, so Shanghai Chlor-Alkali Chemical Trade Co., Ltd. was willing to make deduction with the object of the action. The object of action has been changed into RMB 3,645,835. Through inquisition the court made judgment as follows: 1) The "Purchase Contract" signed between the complainant Shanghai Chlor-Alkali Chemical Trade Co., Ltd. and the defendant Shanghai Zineng Enterprise Development Co., Ltd. on November 30, 2004 should be released; 2) The defendant Shanghai Zineng Enterprise Development Co., Ltd. should refund Shanghai Chlor-Alkali Chemical Trade Co., Ltd. RMB 3,645,835 within 10 days since the effective date of the judgment. If not accepting the judgment, either party can submit a petition for appeal to Shanghai No. 1 Intermediate People's Court or to Shanghai Superior People's Court within 15 days since the date for receiving of the judgment. Now this case has been closed.
- (2) For the case on disputes for a sales contract in the value of RMB 13,000,000 for suing Shanghai Zineng Business Co., Ltd., Shanghai Zineng Enterprise Development Co., Ltd., Shanghai Zineng High-tech Co., Ltd., Shanghai Zineng Pharmacy Co., Ltd. and Liu Limei, Liu Hongbing, Liu Tao, Liu Weisong and Liu Xinhua, Shanghai No. 1 Intermediate People's Court held hearing on July 13, 2005. The defendants Shanghai

Zineng High-tech Co., Ltd. and Shanghai Zineng Pharmacy Co., Ltd. attended the court. Because not all the defendants attended the court, the court could not investigate and ascertain some facts and did not make judgment at the date. This case is still in the progress of inquisition.

4. Significant assets acquisition, sales and reorganization during the report period

1) There were no significant assets acquisition, sales and reorganization during the report period

2) The significant assets acquisition, sales and reorganization occurring in previous period but going down to the report period

(1) For the cancel of separate legal entity qualification of Shanghai Tianyuan Group Tianyuan Chemical Co., Ltd., the equity transaction was completed on January 10, 2005, the cancel announcement was published on January 18, the liquidation report was issued on April 29, and the registration cancel was completed on June 14. For details, please read the Company's 2004 annual report of 2005 on February 1, 2005.

(2) All the registration change formalities for the equity transfer of Shanghai Chlor-Alkali Chemical Real Estate Development Company, the equity transfer of Shanghai Additive Factory Co., Ltd. and the equity transfer of Shanghai Tianyuan Materials Circulation Co., Ltd., were all completed in January or March of 2005. For details please refer to (idem.).

(3) Because the equity transfer of Shanghai Luwei Plastic Co., Ltd. involved with that across countries, the exercise cycle is rather long. At present the equity transaction is just in progress and has been submitted to the Foreign Capital Commission. The work for examination and approval is just in progress. For details please refer to (idem.).

5. Important associative transactions during the report period

1) Associative transaction for purchase and sale of commodity and rendering of service

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

Unit: RMB'0000 Currency: Renminbi

Associative party	Associative transactions content	Pricing principle of associative transactions	Amount of associative transaction
Shanghai Tianyuan International Trade Co., Ltd.	Raw materials	Set price on market price	8,515.63
Shanghai Chlor-Alkali Creation Co., Ltd.	Raw materials		934.70

(2) Significant associative transactions for sale of commodity and rendering of service

Unit: RMB'0000 Currency: Renminbi

Associative party	Associative transactions content	Pricing principle of associative transactions	Amount of associative transaction
Shanghai Chlor-Alkali Creation Co., Ltd.	Product	Set price on market price	2,926.72
Shanghai Sanaifu New Material Co., Ltd.	Product		1,248.36
Shanghai Tianyuan International Trade Co., Ltd.	Product		11,461.54

Shanghai Baishigao Plastic Co., Ltd.	Product	28.76
Shanghai Luwei Plastics Co., Ltd.	Product	104.40

Notes on the necessity and persistence of associative transaction:

The transaction between the Company and associative parties, is that the Company pay expenditure for service and trusteeship business, for purchase of raw material, sales of product and other recorrenting business operations and for stripping non-operational assets and non-central business. Such transactions are the necessary supplement for the coordination based on specialization and mutual transfer of predominance between the Company and its controlling shareholder and part of subordinative enterprises, and they will continue to exist.

- 2) During the report period the Company did not have any associative transactions for significant assets acquisition and sales.
- 3) The creditor's rights and debt between the Company and its associative parties

Unit: RMB'0000 Currency: Renminbi

Associative party	Associative relation	Financing associative parties			Financing of associative parties to the listed company	
		Amount	Balance	Received fund possession cost	Amount	Balance
Shanghai Tianyuan (Group) Co., Ltd.	Parent company	27.68	31,311.14		0.00	0.00
Total	/	27.68	31,311.14	/	0.00	0.00

During the report period the listed company provided its controlling shareholder with capital of RMB 276,800, and the balance is RMB 313,111,400.

- 4) The guarantee between the Company and its associative parties

Unit: RMB'0000 Currency: Renminbi

Guaranteed entity	Date (signing date of agreement)	Amount of guarantee (Unit: RMB'0000)	Type of guarantee	Guarantee period	If fulfilled
Wujin Chemical Co., Ltd.	09/1998	2,684.44	Security	12/2005	No
Shanghai Carbonization Co., Ltd.	05/1995	15,228.42	Security	10/2023	No
Shanghai Carbonization Co., Ltd.	11/1995	337.31	Security	11/2005	No
Total:	18,250.17				

6. Important contracts and the execution for them during the report period

- 1) Significant commissions during the report period or in previous period but going down to the report period

Since July 1, 2005 the Company started to execute the contract of entrusting Shanghai

Huahong Guanlang Co., Ltd. for management on all the pipelines and related maintenance equipment of the Company's production division, the Company needs to pay RMB 2,460,000 of specific mandatory administration fee per year.

- 2) During the report period there are no such matters of contracting and leasing for other company's assets or other company's trusteeship, contracting and leasing for the Company's assets, neither such matters occurring before but going down to this report period.
- 3) Guarantees during the report period or in previous period but going down to the report period

Unit: RMB'0000 Currency: Renminbi

The Company's guarantee for outside entities (excluding its controlled subsidiary)						
Guaranteed entity	Date	Amount of guarantee	Type of guarantee	Guarantee period	If fulfilled	If make guarantee for associative party
Wujin Chemical Co., Ltd.	09/1998	2,684.44	Security	12/2005	No	Yes
Shanghai Carbonization Co., Ltd.	05/1995	15,228.42	Security	10/2023	No	Yes
Shanghai Carbonization Co., Ltd.	11/1995	337.31	Security	11/2005	No	Yes
Shanghai Hensmai Polyurethane Co., Ltd.	11/2003	1,293.20	Security	11/2015	No	No
Shanghai Hensmai Polyurethane Co., Ltd.	09/2004	1,293.20	Security	11/2015	No	No
Shanghai Hensmai Polyurethane Co., Ltd.	01/2005	2,793.20	Security	11/2015	No	No
Shanghai Lianheng Isocyanic Acid Grease Co., Ltd.	12/2003	124.15	Security	12/2014	No	No
Shanghai Lianheng Isocyanic Acid Grease Co., Ltd.	08/2004	2,952.45	Security	12/2014	No	No
Shanghai Lianheng Isocyanic Acid Grease Co., Ltd.	01/2005	6,964.52	Security	12/2014	No	No
West Ningxia PVC Co., Ltd.	01/2005	10,200.00	Security	01/2011	No	No
Shanghai Herklis Chemical Co., Ltd.	04/2005	1,000.00	Security	10/2005	No	Yes
Total guarantee amount during the report period		20,957.72				
Total of guarantee balance during the report period		44,870.89				
The Company's guarantee to the controlled subsidiaries						
Shanghai Huahong Guanlang Co., Ltd.	12/2004	4200.00	Security	12/2009	No	No
Total guarantee amount to controlled subsidiary during the report period						0.00
Total balance of guarantee amount to controlled subsidiary at end the report period						4,200.00

Total guarantee of the Company (including its controlled subsidiary)	
Total amount of guarantee	49,070.89
Ratio of total guarantee in the net assets of the Company	17.07%
The Company's illegal guarantee	
Amount of guarantee provided for the controlling shareholder and other associative parties with lower than 50% equity interest held by the Company	26,620.73
Amount of guarantee for debt provided directly or indirectly for the entities with assets-liabilities ratio over 70%	0.00
Difference by which the total amount of guarantee exceeds 50% of net assets	0.00
Total amount of illegal guarantee	19,250.17

Notes on illegal guarantee:

1. The Company's guarantees for the associative parties Shanghai Carbonization Co., Ltd. and Wujin Chemical Co., Ltd. are all due to historical reason. During the report period the Company strictly observed the requirements of the Notice on Some Related Problems of Furnishing Guarantee by Listed Company for Other Companies, significantly reduced the associative guarantee made for historical reason without increasing new associative guarantee to reduce the risk for guarantee. As of the end of this report period the Company's associative guarantee decreased by 31.10% than the same period of last year.
2. The Company's guarantees for Shanghai Lianheng Isocyanic Acid Grease Co., Ltd., Shanghai Hengshili Polyurethane Co., Ltd. and other joint ventures are because it fulfills the obligation for guarantee according to financial contribution ratio as specified in the joint venture contract signed at beginning of 2003.
3. The Company's guarantee for West Ningxia PVC Co., Ltd. is because that, the joint venture contract specified the shareholders should fulfill the obligation of guarantee according to contribution ratio and this has been examined and passed by the shareholders' meeting. Therefore this has not been listed into illegal guarantee.
- 4) Significant events of entrusting other people to make management on cash assets during the report period or in previous period but going down to the report period
7. The occupancy of funds by the controlling shareholder and subsidiaries
As of the end of this report period, the Company's controlling shareholder Shanghai Tianyuan (Group) Co., Ltd. had totally owed RMB 313,111,400.
8. The Independent Director's specific notes and independent opinion to the Company's accumulated and current guarantee for outside entities and the execution of the above regulations
- 1) Arreage of big shareholder. The Independent Directors deem that, the Chlor-Alkali's work

on discharge the occupation of funds by big shareholder is positive and effective.

- (1) The reason for the arrearage of big shareholder, is that the big shareholder acquired Chlor-Alkali's non-operational assets, false assets and creditor's rights for supporting development of the listed company and enhancing assets quality of the listed company. In the last few years the big shareholder returned arrearage of RMB 360,000,000 through returning cash and displacement of good-quality assets. The returned cash is RMB 260,000,000, including RMB 140,000,000 for refunding the debt. So the total arrearage has dropped down from RMB 680,000,000 to RMB 317,000,000. At present the big shareholder has no capital and proper assets to return the arrearage further in short period.
- (2) In this year the Company continued to find the way of making equity interest offset arrearage to solve the problem on occupation of funds by big shareholder and has established such a plan. At present it further make use of the reform on seperating equity interest to help the solution on this problem.

2) About guarantee. The Independent Directors deem that:

- (1) During the report period the Company strictly observed the requirements of the Notice on Some Related Problems of Furnishing Guarantee by Listed Company for outside entities, reduced the associative guarantee greatly made for historical reason, without increasing new associative guarantee, to reduce the risk for guarantee. As of the end of this report period the Company had totally made guarantee of RMB 490,708,900, including associative guarantee of RMB 192,501,700, a decrease of 31.10% than the same period of last year.
- (2) The Company provided loan guarantee for Shanghai Hengsimai Polyurethane Co., Ltd. and other joint ventures in the limit of ratio of contributions, which are all within the credit granting position approved by shareholders' meeting. The working procedure meets the Listing Rules for Shares in Shanghai Stock Exchange, Articles of Association and other related regulations.

Independent Director: Rong Guangdao, Tang Qiqing, Yang Guoping and Pan Fei

9. Commitments

- 1) The Company or its shareholders holding 5% equity interest or higher, did not make any commitments during the report period.
- 2) During the report period the fulfillment of the commitments made in previous period
 - 1) Arreage of big shareholder: The Board of Directors of the Company has committed that, in 2003 the debt of the big shareholders shall descend on to normal and reasonable level, within RMB 100,000,000. During the report period the Company strived to find the way of making equity interest offset debt to solve the arrearage by big shareholders. But this

should be involved with the related government policy, now the Company started to make use of the reform on separation of equity interest to establish a comprehensive plan.

- (2) About guarantee: During the report period the Company strictly observed the requirements of the Notice on Some Related Problems of Furnishing Guarantee by Listed Company for outside entities, reduced greatly the associative guarantee made for historical reason, without increasing new associative guarantee, to reduce the risk for guarantee. As of the end of this report period the Company had totally made guarantee of RMB 490,708,900, including associative guarantee of RMB 192,501,700, a decrease of 31.10% than the same period of last year.

Current associative guarantee:

- (1) Furnish credit guarantee for Shanghai Carbonization Co., Ltd.'s bank loan of 14,730,100 Euro dollars and 2,734,800 Norwegian Krone, which shall be matured respectively in October of 2023 and November of 2005.
- (2) Furnish credit guarantee for Wujin Chemical Co., Ltd.'s bank loan of US\$ 3,243,400, which shall be matured in Dec. 2005.

Shanghai Carbonization Co., Ltd. and the Wujin Chemical Co., Ltd. have also furnished counter guarantee for the Company.

10. During the report period the Company, the Board of Directors of the Company and the Directors, all had not been checked, punished and reprimanded by the China Securities Regulatory Committee, fined by other administrative departments and publicly condemned the Shanghai Stock Exchange.

11. Index for major events disclosed by the Company

No. of announcement	Disclosure time	Announcement name	Newspapers for disclosure
Regular announcement	Feb. 1, 2005	Abstract of 2004 Annual Report of Shanghai Chlor-Alkali Chemical Co., Ltd.	Page C23, 24 of Shanghai Securities News China Securities News page C35, 37 Hong Kong Commercial Daily page A8
Lin 2005-001	Feb. 1, 2005	Shanghai Chlor-Alkali Chemical Co., Ltd.'s Announcement on the Resolutions of 3rd Meeting of 5th Board of Directors and Convening of 2004 Annual Shareholders' Meeting	Shanghai Securities News page C24 China Securities News page C37 Hong Kong Commercial Daily page A8
Lin 2005-002	Feb. 1, 2005	Shanghai Chlor-Alkali Chemical	Shanghai Securities News page C24

		Co., Ltd.'s Announcement on the 6th Meeting of 5th Supervisory Committee	China Securities News page C37 Hong Kong Commercial Daily page A8
Lin 2005-003	Feb. 1, 2005	Announcement on Associative Transactions of Shanghai Chlor-Alkali Chemical Co., Ltd.	Shanghai Securities News page C24 China Securities News page C37 Hong Kong Commercial Daily page A8
Lin 2005-004	Mar. 7, 2005	Shanghai Chlor-Alkali Chemical Co., Ltd's Announcement on Resolutions of 2004 Annual Shareholders' Meeting	Shanghai Securities News page C43 China Securities News page C3 Hong Kong Commercial Daily page A5
Lin 2005-005	Mar. 18, 2005	Shanghai Chlor-Alkali Chemical Co., Ltd.'s Announcement on the 7th Meeting of 5th Supervisory Committee	Shanghai Securities News page C23 China Securities News page C3 Hong Kong Commercial Daily page A11
Regular announcement	Apr. 26, 2005	2005 first quarterly report of Shanghai Chlor-Alkali Chemical Co., Ltd.	Shanghai Securities News page C27 China Securities News page C47 Hong Kong Commercial Daily page A10
Lin 2006-006	Apr. 26, 2005	Shanghai Chlor-Alkali Chemical Co., Ltd.'s Announcement on 5th Provisional Meeting of 5th Board of Directors	Shanghai Securities News page C27 China Securities News page C47 Hong Kong Commercial Daily page A10
Lin 2005-007	Apr. 26, 2005	Shanghai Chlor-Alkali Chemical Co., Ltd.'s Announcement on that its Operating Results of First Half Year of 2005 Shall Decend Greatly	Shanghai Securities News page C27 China Securities News page C47 Hong Kong Commercial Daily page A10
Lin 2005-008	Apr. 29, 2005	The Board of Shanghai Chlor-Alkali Chemical Co., Ltd's Announcement on Important Personnel Change	Shanghai Securities News page C42 China Securities News page C43 Hong Kong Commercial Daily page A15
Lin 2005-009	May 11, 2005	Shanghai Chlor-Alkali Chemical Co., Ltd.'s Announcement on the Resolutions of 6th Meeting of 5th Board of Directors and Supervisory	Shanghai Securities News page C7 China Securities News page C6

		Board of Directors and Convening of 2005 1st Provisional Shareholders' Meeting	page C6 Hong Kong Commercial Daily page A3
Lin 2005-010	June 14, 2005	Shanghai Chlor-Alkali Chemical Co., Ltd.'s Announcement on Resolutions of 2005 1st Provisional Shareholders' Meeting	Shanghai Securities News page C6 China Securities News page C3 Hong Kong Commercial Daily page A6
Lin 2005-011	June 14, 2005	Shanghai Chlor-Alkali Chemical Co., Ltd.'s Announcement on 4th Meeting of 5th Board of Directors	Shanghai Securities News page C6 China Securities News page C3 Hong Kong Commercial Daily page A6
Lin 2005-012	July 7, 2005	Shanghai Chlor-Alkali Chemical Co., Ltd.'s Announcement on Prediction of Loss in the First Half Year of 2005	Shanghai Securities News page A15 China Securities News page B07 Hong Kong Commercial Daily page B7

第七节 Financial Report (unaudited)

Balance Sheet (1)

Establishment unit: Shanghai Chlor-Alkali Chemical Co., Ltd. June 30, 2005 Unit: RMB Currency: Renminbi

Assets	Line	Consolidated		Parent company	
		Closing balance	Beginning balance	Closing balance	Beginning balance
Current assets:					
Monetary capital	1	301,291,182.97	498,329,540.03	227,730,344.79	416,649,878.67
Short-term investment	2	3,000,000.00	3,000,000.00		
Notes receivable	3	115,804,719.67	152,770,466.27	112,590,947.72	137,125,291.99
Dividend receivable	4				
Interest receivable	5				
Accounts receivable	6	308,621,755.50	166,055,928.75	280,961,410.69	172,613,463.70
Other receivables	7	360,861,554.06	339,983,979.55	344,820,938.82	332,830,102.57
Payment in advance	8	51,660,607.00	57,075,626.38	42,804,347.73	49,224,139.66
Subsidy receivable	9				
Inventory	10	377,662,832.71	533,184,364.59	328,436,851.93	410,071,619.47
Expenses to be amortized	11	55,681.29	271,387.05	43,504.38	
Net loss for current assets to be disposed					
Long-term claims investment due in one year	21				
Other current assets	24				
Total of current assets	30	1,518,958,333.20	1,750,671,292.62	1,337,388,346.06	1,518,514,496.06
Long-term investment:					
Long-term investment equity	31	761,462,107.23	683,458,671.81	1,018,875,906.90	998,166,310.95
Long-term investment claims	32	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
Total of long-term investment	33	762,462,107.23	684,458,671.81	1,019,875,906.90	999,166,310.95
Incl.: Consolidated price variance (credit balance in "-" indicates filled from consolidated statements)	33-1	-3,005,188.75	2,841,168.48		
Incl.: Equity investment balance (credit balance in "-" indicates filled from consolidated statements)	33-2				
Fixed assets:					
Original price of fixed assets	38	4,324,987,231.19	4,376,245,007.67	4,083,845,947.93	3,763,181,432.92
Less: accumulated depreciation	39	2,534,973,204.87	2,463,122,141.40	2,400,125,558.14	2,196,024,194.44
Net value of fixed assets	40	1,790,014,026.32	1,913,122,866.27	1,683,720,389.79	1,567,157,238.48
Less: Provision for depreciation of fixed assets	41	66,958,101.04	66,977,306.14	51,318,359.53	46,682,995.38
Net value of fixed assets	42	1,723,055,925.28	1,846,145,560.13	1,632,402,030.26	1,520,474,243.10
Engineering material and goods	43	27,912,685.79	37,079,162.31	23,206,516.79	37,079,162.31
Construction in progress	44	994,253,351.63	858,821,520.62	862,293,873.18	759,006,401.38
Disposal of fixed assets	45	1,925,850.39		1,925,850.39	
Subtotal of fixed assets	50	2,747,147,813.09	2,742,046,243.06	2,519,828,270.62	2,316,559,806.79

Intangible assets and other assets:					
Intangible assets	51	2,510,660.47	3,040,479.31	752,459.47	771,734.11
Long-term expensed to be amortized	52	743,056.28	826,389.28	743,056.28	826,389.28
Other long-term assets	53				
Subtotal of intangible assets and other assets	55	3,253,716.75	3,866,868.59	1,495,515.75	1,598,123.39
Deferred tax:					
Debit item of deferred taxes	56				
Total of assets	60	5,031,821,970.27	5,181,043,076.08	4,878,588,039.33	4,835,838,737.19

Balance Sheet (2)

Establishment unit: Shanghai Chlor-Alkali Chemical Co., Ltd. June 30, 2005 Unit: RMB Currency: Renminbi

Liabilities and shareholders' equity	Line	Consolidated		Parent company	
		Closing balance	Beginning balance	Closing balance	Beginning balance
Current liabilities:					
Short-term loan	61	1,292,325,150.00	1,094,838,500.00	1,251,025,150.00	915,538,500.00
Notes payable	62	7,699,260.93	31,330,343.78	3,099,260.93	16,500,000.00
Accounts payable	63	114,796,696.24	185,983,076.19	119,798,392.86	175,910,826.14
Sales received in advance	64	64,443,321.30	97,094,197.90	68,801,234.41	90,453,447.32
Salaries payable	65	6,858,234.20	2,751,354.61	6,458,234.20	
Welfare expenses payable	66	-3,004,509.67	1,620,300.53	-3,704,235.90	
Dividends payable	67	1,428,296.90	1,437,373.30	1,428,296.90	1,428,296.90
Tax payable	68	58,460.55	-13,877,312.65	-1,177,154.02	-10,032,056.49
Other payables to the government	69	682,813.94	104,034.49	676,085.49	32,356.19
Other payables	70	92,291,440.22	62,489,489.73	75,386,108.22	44,912,230.24
Expenses appropriated in advance	71	9,603,970.98	2,320,233.51	7,231,491.98	2,320,074.69
Estimated liabilities	72				
Long-term liabilities due in one year	73	0.00	258,320,000.00	0.00	258,320,000.00
Other current liabilities	74				
Subtotal of current liabilities	80	1,587,183,135.59	1,724,411,591.39	1,529,022,865.07	1,495,383,674.99
Long-term liabilities:					
Long-term loan	81	443,270,000.00	393,270,000.00	383,270,000.00	333,270,000.00
Bonds payable	82				
Long-term payables	83	26,026,345.12	26,026,345.12	26,026,345.12	26,026,345.12
Specific payables	84	57,340,000.00	57,340,000.00	57,120,000.00	57,120,000.00
Other long-term liabilities	86				
Subtotal of long-term liabilities	87	526,636,345.12	476,636,345.12	466,416,345.12	416,416,345.12
Deferred tax:					
Credit item of deferred taxes	88				
Subtotal of liabilities	90	2,113,819,480.71	2,201,047,936.51	1,995,439,210.19	1,911,800,020.11
Minority equity (filled from consolidated statements)	90-1	43,341,234.25	60,535,430.29		

Shareholders' equity:					
Share capital	91	1,164,483,067.00	1,164,483,067.00	1,164,483,067.00	1,164,483,067.00
Less: investment already returned	92				
Net amount of share capital	93	1,164,483,067.00	1,164,483,067.00	1,164,483,067.00	1,164,483,067.00
Capital reserves	94	1,564,473,025.55	1,564,473,025.55	1,564,473,025.55	1,564,473,025.55
Statutory surplus reserves	95	132,427,354.77	132,972,913.19	128,725,952.65	128,725,952.65
Incl.: Statutory public welfare fund	96	10,175,274.92	10,448,354.13	8,324,873.86	8,324,873.86
Less: Unidentified loss from investment (filled from consolidated statements)	96-1				
Undistributed profit (Uncovered loss in "-")	97	13,277,807.99	57,530,703.51	25,466,783.94	66,356,671.88
Converted balance of foreign currency statements (filled from consolidated statements)	97-1				
Subtotal of shareholders' equity	99	2,874,661,255.31	2,919,459,709.25	2,883,148,829.14	2,924,038,717.08
Total of liabilities and shareholders' equity	100	5,031,821,970.27	5,181,043,076.05	4,878,588,039.33	4,835,838,737.19

Legal representative: Wang Qiang Principal in charge of accounting: Li Jun Head of accounting dep.: Li Ning Prepared by: Tang Xiaodong

Statement of Profit & Profit Distribution

Establishment unit: Shanghai Chlor-Alkali Chemical Co., Ltd. Jan.-June 2005 Unit: RMB Currency: Renminbi

Item	Line	Consolidated		Parent company	
		Current period	Same period of last year	Current period	Same period of last year
1. Main business income	1	1,967,267,325.89	2,348,599,406.45	1,816,865,647.99	1,706,070,533.49
Less: Main business cost	2	1,803,288,900.56	1,983,834,745.87	1,670,740,212.51	1,390,074,717.63
Tax and surtax of main business	3	4,855,425.30	10,830,987.99	4,358,839.49	9,489,187.85
2. Main business profit (Uncovered loss in "-")	4	159,123,000.03	353,933,672.59	141,766,595.99	306,506,628.01
Plus: Other business profit (Uncovered loss in "-")	5	6,702,544.31	-797,742.52	6,635,028.19	-780,372.87
Less: operating expenses	6	47,077,884.08	47,603,026.17	43,429,030.21	40,224,650.94
Management expenses	7	120,980,419.22	193,303,010.25	114,935,320.73	149,929,897.70
Financial expenses	8	41,516,799.61	26,327,872.44	41,747,735.20	21,676,273.57
3. Operating profit (loss in "-")	9	-43,749,558.57	85,902,021.21	-51,710,461.96	93,895,432.93
Plus: Investment income (loss in "-")	10	-2,333,494.71	2,593,192.34	3,601,156.24	-3,658,473.86
Subsidy income	11	0.00	587,910.00	0.00	587,910.00
Non-operating revenue	12	4,110.04	1,271,676.59	3,555.20	1,242,084.11
Less: non-operation expenditure	13	11,421.93	4,248,276.89	0.00	4,073,725.36
4. Gross profit (loss in "-")	14	-46,090,365.17	86,106,523.25	-48,105,750.52	87,993,227.82
Less: Income tax	15	-6,377,691.09	13,375,492.28	-7,215,862.58	13,198,984.18
Minority's gain and loss (filled from consolidated statements, loss in "-")	16	730,499.45	-2,509,927.08		

Plus: Unidentified loss from investment (filled from consolidated statements)	17				
5. Net profit (loss in "-")	18	-40,443,173.53	75,240,958.05	-40,889,887.94	74,794,243.64
Plus: undistributed profit at beginning of the year (uncovered loss in "-")	19	53,720,981.52	14,148,741.02	66,356,671.88	25,495,313.70
Other transferred in	20				
6. Distributable profit (loss in "-")	21	13,277,807.99	89,389,699.07	25,466,783.94	100,289,557.34
Less: Appropriated statutory surplus reserves	22				
Appropriated statutory public welfare fund	23				
Appropriation of staff welfare fund	24				
7. Distributable profit to shareholder (loss in "-")	25	13,277,807.99	89,389,699.07	25,466,783.94	100,289,557.34
Less: preferred stock dividends payable	26				
Appropriated discretionary surplus reserves	27				
Ordinary share dividends payable	28				
Dividends of ordinary share transferred to share capital	29				
8. Undistributed profit (uncovered loss in "-")	30	13,277,807.99	89,389,699.07	25,466,783.94	100,289,557.34

Legal representative: Wang Qiang Principal in charge of accounting: Li Jun Head of accounting dep.: Li Ning Prepared by: Tang Xiaodong

Statement of Cash Flow (1)

Establishment unit: Shanghai Chlor-Alkali Chemical Co., Ltd. June 30, 2005 Unit: RMB Currency: Renminbi

Item	Line	Amount	
		Consolidated	Parent company
1. Cash flow from business operations:			
Cash received from sale of commodities and rendering of service	1	2,256,027,078.36	2,118,643,246.98
Return from tax received	2	6,456,706.67	6,450,306.65
Other cash received related to operating activities	3	5,750,559.73	7,183,820.17
Subtotal of cash inflow from operating activities	5	2,268,234,344.76	2,132,277,373.80
Cash paid for purchase of commodities and accepting of service	6	1,956,554,720.76	1,846,544,201.92
Cash paid to or for employees	7	93,861,780.56	83,721,538.39
Cash paid for various taxes	8	38,530,618.89	34,405,577.49
Other cash paid related to operating activities	9	125,562,783.84	117,243,271.70
Subtotal of cash outflow in operating activities	10	2,214,509,904.05	2,081,914,589.50
Net cash flow from operating activities	11	53,724,440.71	50,362,784.30

2. Cash flow from investments:			
Cash received from disinvestments	12	71,238,787.06	71,238,787.06
Cash received from investment earnings acquired	13	1,422,675.06	1,423,750.50
Cash received from disposal of fixed assets, intangible assets and other long-term assets	14	11,000.00	11,000.00
Other cash received related to investments	15	0.00	
Subtotal of cash inflow from investment activities	16	72,672,462.12	72,673,537.56
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	18	141,379,310.66	99,162,498.03
Cash paid for investments	19	128,847,746.14	120,134,858.30
Other cash paid related to investments	20	0.00	0.00
Subtotal of cash outflow from investment activities	22	270,227,056.80	219,297,356.33
Net cash flow from investments	25	-197,554,594.68	-146,623,818.77
3. Cash flow from financing:			
Cash received from absorption of investments	26		
Incl.: Cash received by subsidiaries from absorption of minority equity investments	27		
Cash received from loans	28	1,208,745,650.00	1,166,145,650.00
Other cash received related to financing	29		
Subtotal of cash inflow from financing activities	30	1,208,745,650.00	1,166,145,650.00
Cash paid for settlement of debt	31	1,219,586,250.00	1,216,986,250.00
Cash paid for distribution of dividend or profit or reimbursement of interest	32	42,268,434.22	41,718,730.54
Incl.: Dividend paid to minority shareholders by subsidiary	33	0.00	
Other cash paid related to financing	34		
Incl.: Cash paid to minority shareholders by subsidiaries' capital reduction at law	35		
Subtotal of cash outflow from financing activities	36	1,261,854,684.22	1,258,704,980.54
Net cash flow from financing	40	-53,109,034.22	-92,559,330.54
4. Impact of change in exchange rate to cash	41	-99,168.87	-99,168.87
5. Net increase of cash and cash equivalents	42	-197,038,357.06	-188,919,533.88

Statement of Cash Flow (2)

Establishment unit: Shanghai Chlor-Alkali Chemical Co., Ltd. June 30, 2005 Unit: RMB Currency: Renminbi

Supplementary information	Line	Amount	
		Consolidated	Parent company
1. Cash flow for regulating net profit into operating activities:			
Net profit (loss in "-")	43	-40,443,173.53	-40,889,887.94
Plus: minority's gain and loss (loss in "-")	44	730,499.45	
Less: Unconfirmed loss from investments	45		

Plus: Appropriated provision for depreciation of assets	46		
Depreciation of fixed assets	47	130,118,363.44	123,021,985.51
Amortization of intangible assets	48	529,818.84	19,274.64
Amortization of long-term expenses to be amortized	49	83,333.00	83,333.00
Decrease of expenses to be amortized (minus: increase)	50	-38,504.38	-43,504.38
Increase of accrued expenses (minus: decrease)	51	7,283,896.29	4,911,417.29
Loss from disposal of fixed assets, intangible assets and other long-term assets (minus: gain)	52	0.00	0.00
Loss on realization of fixed assets	53	9,491.65	
Financial expenses	54	42,155,405.82	42,114,778.54
Loss from investment (minus: earnings)	55	2,333,494.71	-3,601,156.24
Credit items of deferred taxes (minus: debit item)	56	0.00	
Decrease of inventory (minus: increase)	57	101,065,199.39	70,275,237.97
Decrease of operational receivables (minus: increase)	58	-82,765,805.59	-71,453,502.92
Increase of operational payables (minus: decrease)	59	-107,337,578.38	-74,075,191.17
Other	60		
Net cash flow from operating activities	65	53,724,440.71	50,362,784.30
2. Investment and financing activities with no reference to receipts and expenditures in cash:			
Capital transferred from debts	66		
Convertible bonds of the Company due in one year	67		
Fixed assets under financing lease-in	68		
3. Net increase of cash and cash equivalents:			
Closing balance of cash	69	301,291,182.97	227,730,344.79
Less: Beginning balance of cash	70	498,329,540.03	416,649,878.67
Closing balance of cash equivalents	71		
Less: Beginning balance of cash equivalents	72		
Net increase of cash and cash equivalents	73	-197,038,357.06	-188,919,533.88

Legal representative: Wang Qiang Principal in charge of accounting: Li Jun Head of accounting dep.: Li Ning Prepared by: Tang Xiaodong

Statement of Details on Provisions for Depreciation of Assets

Establishment unit: Shanghai Chlor-Alkali Chemical Co., Ltd. June 30, 2005 Unit: RMB Currency: Renminbi

Item	Line	Beginning balance	Increase	Transferred out	Closing balance
1. Total of provision for bad debts	1	227,600,723.19	1,413,826.17	15,564,166.46	213,450,382.90
Incl.: Accounts receivable	2	70,503,158.73	1,413,826.17	15,324,778.70	56,592,206.20
Other receivables	3	157,097,564.46		239,387.76	156,858,176.70
2. Total of provision for depreciation of short-term investment	4	2,000,000.00		0.00	2,000,000.00
Incl.: Stock investment	5	0.00		0.00	0.00
Bond investment	6	0.00		0.00	0.00
3. Total of provision for depreciation of inventories	7	33,549,378.83	278,210.27	647,499.43	33,180,089.67
Incl.: Commodity stocks	8	709,299.90		0.00	709,299.90
Raw materials	9	32,470,727.54	278,148.04	278,148.04	32,470,727.54
4. Total of provision for depreciation of long-term investment	10	13,290,000.00		0.00	13,290,000.00
Incl.: Long-term equity investment	11	13,290,000.00		0.00	13,290,000.00
Long-term claims investment	12	0.00		0.00	0.00
5. Total of provision for depreciation of fixed assets	13	66,977,306.14	4,654,569.25	4,673,774.35	66,958,101.04
Incl.: Houses and buildings	14	16,969,065.90	3,304.28	3,304.28	16,969,065.90
Machinery equipment	15	3,652,855.78	3,652,855.78	3,662,775.34	3,642,936.22
6. Provision for depreciation of intangible assets	16	77,092,759.75			77,092,759.75
Incl.: Patent right	17	0.00			0.00
Trade mark right	18	0.00			0.00
7. Provision for depreciation of construction in progress	19	7,692,115.00			7,692,115.00
8. Provision for depreciation of entrusted loan	20	0.00			0.00
9. Total	21	428,202,282.91	6,346,605.69	20,885,440.24	413,663,448.36

Legal representative: Wang Qiang Principal in charge of accounting: Li Jun Head of accounting dep.: Li Ning Prepared by: Tang Xiaodong

Shanghai Chlor-Alkali Chemical Co., Ltd.

Notes on 2005 Interim Accounting Statements

1. Brief introduction to the Company:

Shanghai Chlor-Alkali Chemical Co., Ltd. (hereafter referred to as the "Company"), was reorganized from Shanghai Chlor-Alkali General Plant approved by Shanghai Economic Commission Hujingqi [1992] No. 307 files in July 1992. Its B share was listed in market on August 20, 1992, and A share was listed in market on November 13, 1992. Stock code: A share: 600618; B share: 900908. Company's registration add.: 4747 Longwu Rd., Shanghai. Industry of the Company: Chemical. Business scope: produce sodium hydroxide, chlorine, fluorine, PVC and other chemical raw material and processed products; chemical machinery and equipment, chemical products, auxiliary material, package material, transportation, sell self-produced products (if necessary, operating as per license).

2. Compiling method for the main accounting policy, accounting estimation and consolidated accounting statements adopted by the Company:

1) Account system:

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

2) Fiscal year:

From Jan. 1 to Dec. 31 in Gregorian calendar.

3) Bookkeeping base currency

Adopt Renminbi as bookkeeping base currency.

4) Accounting basis and valuation principle:

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

5) Accounting method in foreign currency operations:

For the foreign currency operations use the Renminbi exchange price (middle price) declared by the People's Bank of China at the date of business as the exchange rate to enter into account with Renminbi. The balance of the foreign currency account at end of the

period 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 period, 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 of accounting statements in foreign currency:

According to the Caihuizi (1995) No. 11 File "Notice on Printing and Distributing 'Provisional Regulations on Consolidated Accounting Statements'", except for the owner' equity items (excluding items of undistributed profit) which shall be converted to Renminbi in market exchange price at the time when those items occur, assets, liabilities and profit and loss items shall be converted to Renminbi in market exchange price at 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 for cash equivalents:

Any investment with four conditions, short period (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 for short-term investment:

(1) 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.

(2) 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 nature of investment. If a short-term investment accounts for 10% or higher of the total short-term investment, the provisions for loss of depreciation should be appropriated with the individual investment as the basis.

(3) Confirmation of income from short-term investment:

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 for bad account:

(1) Confirmation criteria for bad account:

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.

(2) Accounting method for bad debt loss:

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

(3) Appropriation method for bad debt provision and appropriation ratio:

Accounts receivable: Except individual recognition, for others the provisions are appropriated with aging analysis method:

Other receivables: The provisions are appropriated with individual recognition method.

The ratio for bad debt provision for accounts receivable appropriated with aging analysis method:

<u>Account age</u>	<u>Appropriated ratio</u>
Within one year	5%
1 to 2 years	20%
2 to 3 years	50%
Over 3 years	100%

10) Inventory accounting methods:

(1) Inventories are classified as:

Raw material and auxiliary material, packing, low cost and short lived articles, work in progress, finished goods, cost variances of material, material purchase, commodity stocks (including purchased goods in stock, self-made products, semi-manufactured goods), material for entrusted processing, etc.

(2) The valuation method for procurement and sending out:

Except that the accessory material should be calculated as per plan price while being acquired, others should be calculated as per actual cost. At end the month calculate the cost difference to be amortized as per the plan cost of auxiliary material to converted into actual cost. While the inventories are sent out, adopt weighted average method for raw materials, and for finished goods valueate it with firts-in first-out method.

The inventories acquired from the 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.

(3) The amortization method for low cost and short lived articles and packages:

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

For packings adopt multi-time amortization method.

(4) Inventory system for stocks:

Adopt perpetual inventory system.

(5) Appropriation method of provision for depreciation of inventories:

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 according to classified items of inventories.

11) Accounting method for long-term investment:

(1) 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 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.

(2) Accounting method for long-term equity investment:

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 from 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 Caihui [2004] No. 3 File.

(3) Accounting method for long-term claims investment:

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.

(4) Appropriation of provision for depreciation of long-term investment:

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.

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

12) Accounting method for entrusted loan:

For the fund entrusting financial institution to lend out, the enterprise should enter to the account as per actual entrusted loan amount. At end of the period, appropriate interest receivable according to the interest rate specified in the entrusted loan contract. If the appropriated interest cannot be returned in due time, stop the appropriation of the

interests and offset the original appropriated interests.

At end of interim period and end of the year according to the difference by which the reclaimable amount of entrusted loan is lower than the principal of loan, appropriate provisions for depreciation of entrusted loans

13) Valuation and depreciation method of fixed assets:

(1) 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.

(2) Classification of fixed assets:

House & building, machinery equipment, transportation device, other equipment.

(3) Valuation for procurement of fixed assets:

Make valuation according to actual cost during daily work.

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.

(4) For the depreciation of fixed assets use the composite life method to make appropriation according to classification. Set the depreciation rate according to the classification of fixed assets, expected life of use and expected net residual value rate.

<u>Kind</u>	<u>Expected life</u>	<u>Net residual value</u>	<u>Annual depreciation</u>
Building construction	20-40 years	4%	2.4% - 4.8%
Machinery equipment	8 - 15 years	4%	6.4% - 12%
Transportation device	8 years	4%	12%
Other equipment	5 - 10 years	4%	9.6% - 19.2%

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 reparings 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 cost for fixed assets rented in through financial leasing and meeting the condition of capitalization, use composite life method to appropriate depreciation individually in the shortest period among the period between two renovations, remained lease term and serviceable life of the fixed assets.

(5) Appropriation of provision 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.

14) Accounting method for construction in progress:

(1) 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.

(2) Appropriation of provision for depreciation of construction in progress:

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.

15) Accounting method for intangible assets:

(1) Valuation method for procurement:

Enter the actual cost in procurement into 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.

(2) 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.

(3) 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.

16) Amortization method for long-terms fees to be amortized:

1、 Amortization of initial cost:

Listed in full into gain and loss in the month while starting the production operation.

2、 Amortization for amortization of 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.

17) Borrowing cost:

(1) The confirmation principle for capitalization of borrowing cost:

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.

(2) The period for capitalization of borrowing cost:

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

(3) Method for ascertaining the capitalized amount of the borrowing cost of special loan:

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

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

18) 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:

- (1) This obligation is the current obligation assumed by the enterprise.
- (2) The performance of this obligation possibly causes economic interest flowing out from the enterprise;

- (3) The amount of this obligation can be measured reliably.

19) Principle of revenue recognition:

(1) Merchandising:

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.

(2) 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.

(3) Acquisition of use right of 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.

20) Accounting process for income tax:

Adopt the method of tax payable.

(21) Compilation method for consolidated accounting statements:

- (1) 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. Partnership enterprises are not consolidated into the statements.

- (2) The accounting policies and accounting processes of the parent company and the subsidiaries have no significant difference.

3. Tax items:

1) The Company's main tax categories and tax rate:

Tax category	tax rate
Value added tax	13%, 17%
Business tax	3%, 5%
Income tax	15%, 33%

2) Tax relief:

Approved by the Hukehe (2002) No. 009 File "Notice on Approving Second Batch of Shanghai High & New Technology Enterprises in 2002" by Shanghai Scientific and Technical Committee, the Company can enjoy favorable income tax rate of 15% as a Shanghai High & New Technology Enterprise.

Its subsidiary Shanghai Tianyuan Material Circulation Co., Ltd., based on Baoshuichenzi No. 2031029 File of Baoshan Sub-bureau of Shanghai Local Tax Bureau, was exempted from income tax from 2001 to 2002, and paid income tax in half of tax rate, i.e., 15%, from 2003 to 2004.

4. Controlled subsidiaries and partnership enterprises:

1) All the subsidiaries and partnership enterprises controlled by the Company and the consolidated range:

(Unit: RMB'0000)

Full name of invested unit	Business nature	Registered capital	Business scope	Actual invested amount of parent company	Controlled equity ratio of parent company	Equity ratio in consolidated range	If consolidated	Remark
Shanghai Chlor-Alkali Chemical Trade Co., Ltd.	Commerce	10,000.00	Chemical trade	9,000.00	90%	90%	Yes	
Suzhou Gusu Economic Development	Com	1,000.00	Parking lot	800.00	80%	80%	Yes	

General Company	merc e								
Suzhou Baji Bridge Parking Lot for Tourist Car (Note 1)	Serv ice	74.30	Parking lot	---	---	100%	Yes		
Shanghai Tianyuan (Group) High Molecular Material Co., Ltd.	Indu stry	3,200.00	Chemical product	2,880.00	90%	90%	No		
Shanghai Jinyuan Tap Water Co., Ltd.	Indu stry	900.00	Tap water	---	---	77.78%	Yes		
Shanghai Da Kai Plastics Co., Ltd.	Indu stry	4,347.76	Plastic products	3,912.98	90%	90%	Yes		
Shanghai Huahong Guanlang Co., Ltd.	Indu stry	4,000.00	Pipeline transportation	2,800.00	70%	70%	Yes		
Shanghai Xintianyuan Chemical Logistics Co., Ltd.	Serv ice	2,940.00	Storage & transportation	1,700	57.82%	82.99%	Yes		
Shanghai Luwei Plastics Co., Ltd.	Indu stry	4,351.00	Chemical product	2,175.50	50%	50%	No	Partners hip enterpri se	

Note 1: The Company's subsidiary Suzhou Gusu Economic Development General Company makes 100% investment in Suzhou Baji Bridge Parking Lot for Tourist Car.

2) Subsidiaries not included in the range of the consolidated accounting statements:

- (1) There is totally one subsidiary not consolidated into accounting statements this year. For details, see above Note 4 1).
- (2) The reason is that, the total assets, total sales revenue and net profit of current period of this subsidiary accounting for less than 10% of the total assets and sales revenue of the parent company and the subsidiary and the net profit of parent company.
- (3) Impacts on financial status and operation results:

The total assets of the subsidiaries not consolidated into the accounting statements is RMB 32,000,000.00, accounting for 0.61% of the total assets of the parent company and the subsidiaries.

3) Change of the range of consolidated statement in this year:

- (1) Compared with last year, a new unit is added into the consolidation range, the reason is:

Shanghai Xintianyuan Chemical Logistics Co., Ltd.: The Company has increased its investment to it, so this subsidiary is consolidated into the accounting statements.

(2) Compared with last year, consolidation range has reduced by two units in this year, the reason is:

A. Shanghai Additive Factory Co., Ltd.: The Company has transferred its 85.13% equity interest to Shanghai Tianyuan (Group) Co., Ltd. (For details, see the Company's announcement on Dec. 29, 2004.)

B. Shanghai Tian Chemical Co., Ltd.: Its legal personality has been cancelled. (For details, see the Company's announcement on Dec. 29, 2004.)

5. Notes to main items of the consolidated accounting statements (If not specially indicated the unit should be RMB, and if not indicated as the data at beginning of the year the data should be at end of the year):

1) Monetary capital

<u>Item</u>	<u>Closing balance</u>	<u>Beginning balance</u>
Cash	38,040.99	109,006.73
Bank deposit	301,253,141.98	498,220,533.30
Other		
monetary capitals	---	---
Total	<u>301,291,182.97</u>	<u>498,329,540.03</u>
Incl.:		
US\$	76,694,731.84	2,263,053.35
Converted exchange rate	8.2765	8.2765
Renminbi converted	63,685,448.07	18,730,161.05
Japanese yen	546,940.00	216,451.00
Converted exchange rate	0.076696	0.079701
Renminbi converted	41,948.11	17,251.36
Hongkong dollar	---	---
Converted exchange rate	---	---
Renminbi converted	---	---

The closing balance of monetary fund has decreased by RMB 197,038,357.06 or 39.54% than the beginning balance. The reason is mainly because the Company increased assets investment and construction in progress, also increased the cash outflow.

2) Short-term investment and provisions for depreciation of short-term investment:

<u>Item</u>	<u>Closing balance</u>		<u>Beginning balance</u>	
	<u>Book balance</u>	<u>Depreciation provision</u>	<u>Book balance</u>	<u>Depreciation provision</u>
Other short-term investment	5,000,000.00	2,000,000.00	5,000,000.00	2,000,000.00

Other short-term investments are all the entrusted loan due in one year:

<u>Name of entrusted unit</u>	<u>Principal</u>	<u>Interest</u>	<u>Appropriated depreciation provision</u>
Guoxin Industry (entrusted loan from China Construction Bank No. 4 Branch)	2,000,000.00	---	2,000,000.00
Shanghai Tianyuan Group Shengde Plastic	3,000,000.00	---	---
Yangzhou Co., Ltd. (Shen Development Bank Shanghai Bund Branch entrusted loan)			

3) Notes receivable:

<u>Kind</u>	<u>Closing balance</u>	<u>Beginning balance</u>
Bank acceptance	85,198,862.67	100,293,484.73
Commercial acceptance	30,605,857.00	52,476,981.54
Total	115,804,719.67	152,770,466.27

4) Accounts receivable:

(1) Aging analysis:

<u>Account</u>	<u>Book balance</u>	<u>Closing balance</u>			<u>Book balance</u>	<u>Beginning balance</u>		
		<u>Ratio in the total amount</u>	<u>Appropriate d ratio for bad debt provision</u>	<u>Bad debt provision</u>		<u>Ratio in the total amount</u>	<u>Appropriate d ratio for bad debt provision</u>	<u>Bad debt provision</u>
Within 1 year	239,067,625.59	65.42%	5.00%	7,189,563.74	116,345,562.85	49.19%	5.00%	5,818,498.13

1-2 years	72,200,840.41	19.76%	20.00%	15,636,383.05	66,540,719.01	28.12%	20.00%	15,636,583.05
2-3 years	28,267,805.32	7.73%	50.00%	13,440,649.84	18,065,377.91	7.64%	50.00%	13,440,649.84
Over 3 years	<u>25,917,078.13</u>	<u>7.09%</u>	<u>100.00%</u>	<u>20,564,997.32</u>	<u>35,607,427.71</u>	<u>15.05%</u>	<u>100.00%</u>	<u>35,607,427.71</u>
Total	<u>365,453,349.45</u>	<u>100.00%</u>	<u>---</u>	<u>56,831,593.95</u>	<u>236,559,087.48</u>	<u>100.00%</u>	<u>---</u>	<u>70,503,158.73</u>

(2) The total amount of the first 5 accounts receivables is RMB 154,040,611.33, accounting for 42.15% of the total accounts receivables.

(3) Notes on the appropriated bad debt provision in full or in 40% and higher except the bad debt provision appropriated as per account age according to the Company's accounting policy, as of the end of the period:

Name of the unit with arrearage	Amount in arrear	Amount appropriated	Reason
Shanghai Lingguang Industry Co., Ltd.	4,128,372.72	4,054,374.23	Expected difficult to reclaim
Shanghai Peiling Development Co., Ltd.	2,065,547.98	2,065,547.98	Expected difficult to reclaim
Shaoxing Xinyuan Chemical Material Co., Ltd.	2,102,513.90	2,102,513.90	Expected difficult to reclaim
Shanghai Nansheng Sino-foreign Enterprise Fine Products Industrial Company	1,600,000.00	1,600,000.00	Expected difficult to reclaim
Shanghai Industrial Plastic Products Co., Ltd.	2,290,762.16	2,290,762.16	Expected difficult to reclaim
Shanghai Mingguang Communication Electromechanical Industry Co., Ltd.	2,538,018.00	2,538,018.00	Expected difficult to reclaim
Shanghai Xinyao Hardware & Tools Co., Ltd.	110,273.00	109,414.95	Expected difficult to reclaim
Shanghai Resin Factory Co., Ltd.	4,242,437.41	3,979,540.52	Expected difficult to reclaim in full

(4) Accounts receivable actually written off in current period:

<u>Name of the unit with arrearage</u>	<u>Nature</u>	<u>Written-off amount</u>	<u>Written-off reason</u>	<u>Whether involved with associative transactions</u>
53 units in arrearage lower than RMB 50,000	Payment for goods	904,062.33	Business license is withdrawn or company is canceled	No
50 units in arrearage from RMB 50,000 to RMB 500,000	Payment for goods	6,839,459.73	Business license is withdrawn or company is canceled	No
6 units in arrearage over RMB 500,000	Payment for goods	7,041,908.32	Business license is withdrawn or company is canceled	No

(5) For the accounts receivable at end of the year the shareholders holding 5% or above of the total share capital of the Company owes RMB 3,689,000 to the Company. For details see Note 7.3) (2) C.

5) Other receivables:

(1) Aging analysis:

<u>Account</u>	<u>Book balance</u>	<u>Closing balance</u>			<u>Beginning balance</u>			
		Ratio in the total amount	Bad debt provision	<u>Bad debt provision</u>	Ratio in the total amount	Bad debt provision	<u>Bad debt provision</u>	
<u>age</u>			<u>Appropriat</u>	<u>provision</u>	<u>Book balance</u>	<u>Appropriate</u>	<u>provision</u>	
		<u>Ratio</u>	<u>ed ratio</u>			<u>Ratio</u>	<u>d ratio</u>	
Within 1	39,835,623.30	7.69%	---	17.49	17,083,311.94	3.44%	---	202,172.22

year								
1-2 years	622,951.16	0.12%	---	--	1,911,923.39	0.38%	---	9,714.00
2-3 years	22,813,185.94	4.41%	---	---	28,877,118.72	5.81%	---	---
Over 3								
years	<u>454,447,987.85</u>	<u>87.78%</u>	---	<u>156,858,176.70</u>	<u>449,209,189.96</u>	<u>90.37%</u>	---	<u>156,885,678.24</u>
Total	<u>517,719,748.25</u>	<u>100.00%</u>	---	<u>156,858,194.19</u>	<u>497,081,544.01</u>	<u>100.00%</u>	---	<u>157,097,564.46</u>

(2) The total amount of the first 5 other receivables is RMB 385,114,210.96, accounting for 74.39% of the total of other receivables.

(3) Notes for the provisions for bad debts in the ratio of 40% or above or in full as of the end of the year:

Chongming Processing Unit	1,400,000.00	100%	Account age over 3 years, expected unclaimable
Guoxin Industry Entrusted Unit	286,110.00	100%	Account age over 3 years, expected unclaimable
Wu County Muxie Cement Mill	728,640.00	100%	Account age over 3 years, expected unclaimable
Yangpu Lexin Industry Co., Ltd.	39,344,205.00	100%	Account age over 3 years, expected unclaimable
Zhongjian Real Estate Tianling Company	1,330,460.24	100%	Account age over 3 years, expected unclaimable
Laide Automobile Company	1,257,371.88	100%	Account age over 3 years, expected unclaimable
Shanghai Baishigao Plastic Co., Ltd.	13,466,218.25	100%	Account age over 3 years, expected unclaimable
Leanda guarantee	21,934,405.00	100%	Account age over 3 years, expected unclaimable
Leanda loan	12,000,581.67	100%	Account age over 3 years, expected unclaimable

(4) Other receivables with bigger amount:

<u>Name of the unit with arrearage</u>	<u>Amount</u>	<u>Nature or content</u>	<u>If associated</u>
Shanghai Tianyuan (Group) Co., Ltd.	313,111,427.72	Assets transfer or mutual deal	Yes
Yangpu Lexin Industry Co., Ltd.	39,344,205.00	Mutual deal	Yes
Shanghai Baishigao Plastic Co., Ltd.	13,520,523.31	Mutual deal	Yes
Pacific Biological High-tech Co., Ltd.	15,600,000.00	Mutual deal	Yes

(5) For other receivables at end of the year the shareholders holding 5% or above of the total share capital of the Company owes RMB 313,111,400 to the Company. For details see Note 7 3) (2) C.

6) Accounts paid in advance:

Aging analysis:

<u>Account age</u>	<u>Closing balance</u>		<u>Reason for unreclaiming</u>	<u>Beginning balance</u>	
	<u>Amount</u>	<u>Ratio in the total amount</u>		<u>Amount</u>	<u>Ratio in the total amount</u>
Within 1 year	51,492,565.09	99.67%	---	56,551,879.90	99.08%
1-2 years	3,633.56	0.01%	---	359,338.13	0.63%
2-3 years	---	---	---	---	---
Over 3 years	<u>164,408.35</u>	<u>0.32%</u>	---	<u>164,408.35</u>	<u>0.29%</u>
Total	<u>51,660,607.00</u>	<u>100.00%</u>		<u>57,075,626.38</u>	<u>100.00%</u>

7) Inventories and depreciation provision for inventories:

<u>Item</u>	<u>Closing balance</u>		<u>Beginning balance</u>	
	<u>Book balance</u>	<u>Depreciation provision</u>	<u>Book balance</u>	<u>Depreciation provision</u>
Raw material	247,521,634.44	32,192,579.50	283,228,408.50	32,419,408.14
Work-in-process	83,566,661.43	---	146,489,559.76	---
Finished goods	---	---	---	---

Packing	4,019,091.04	---	3,995,852.16	---
Low cost and short lived articles	---	--	356,249.90	141,402.39
Commodity stocks	76,524,768.12	987,510.17	105,114,548.70	987,510.17
Semi-finished goods self made	--	--	518,054.08	1,058.13
Material purchasing	<u>-789,232.65</u>	<u>---</u>	<u>27,031,070.32</u>	<u>---</u>
Total	<u>410,842,922.38</u>	<u>33,180,089.67</u>	<u>566,733,743.42</u>	<u>33,549,378.83</u>

1. 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; the base for setting the net realizable is: market price of inventories less related tax.

8) Expenses to be amortized:

<u>Kind</u>	<u>Beginning balance</u>		<u>Amount amortized in current period</u>		<u>Closing balance</u>	<u>Reason of closing balance</u>
	<u>balance</u>	<u>Increase</u>	<u>period</u>	<u>period</u>	<u>balance</u>	
Insurance	259,727.05	2,511,486.66	2,720,852.42	50,361.29	beneficiary period	Amortization in
Leasing fee	5,000.00	--	5,000.00	--	beneficiary period	Amortization in
Other	<u>6,660.00</u>	<u>--</u>	<u>1,340.00</u>	<u>5,320.00</u>	beneficiary period	
Total	<u>271,387.05</u>	<u>2,511,486.66</u>	<u>2,727,192.42</u>	<u>55,681.29</u>		

9) Long-term investment:

<u>Item</u>	<u>Closing balance</u>		<u>Beginning balance</u>	
	<u>Amount</u>	<u>Depreciation provision</u>	<u>Amount</u>	<u>Depreciation provision</u>

Long-term equity investment	774,752,107.23	13,290,000.00	696,748,671.81	13,290,000.00
Long-term claims investment	<u>1,000,000.00</u>	---	<u>1,000,000.00</u>	---
Total	<u>775,752,107.23</u>	<u>13,290,000.00</u>	<u>697,748,671.81</u>	<u>13,290,000.00</u>

(1) Long-term equity investment:

A. Stock investment:

<u>Name of invested company</u>	<u>Kind of share</u>	<u>Number of</u>	<u>Ratio in the</u>	<u>Initial investment</u>	<u>Depreciation</u>
		<u>share</u>	<u>registered capital of</u>	<u>cost</u>	
			<u>invested company</u>	<u>Book balance</u>	<u>provision</u>
Shanghai Lingguang Industry Co., Ltd.	Legal person share	819,720	<1	824,934.00	824,934.00
Shanghai Longtou (Group) Co., Ltd.	Legal person share	720,000	<1	2,400,000.00	2,400,000.00
Shanghai No. 1 Foodstuff Co., Ltd.	Legal person share	1,443,226	<1	1,360,896.00	1,360,896.00
Bailian Group Co., Ltd.	Legal person share	1,443,484	<1	3,956,230.00	3,956,230.00
Shanghai Jiabao Industry Co., Ltd.	Legal person share	1,497,600	<1	3,992,000.00	3,992,000.00
Shanghai Tyre & Rubber Co., Ltd.	Legal person share	143,000	<1	690,000.00	690,000.00
Shanghai White Cat Co., Ltd.	Legal person share	1,452,000	<1	6,002,000.00	6,002,000.00
Shanghai Shenda Co., Ltd.	Legal person share	290,400	<1	636,800.00	636,800.00
ST Shanghai Fenhua (Group) Co., Ltd.	Legal person share	475,200	<1	1,789,797.60	1,789,797.60
China Textile Machinery Co., Ltd.	Legal person share	858,000	<1	2,095,000.00	2,095,000.00
Shanghai Petrochemical Co., Ltd.	Legal person share	300,000	<1	900,000.00	900,000.00
Shanghai Electric Appliance Co., Ltd.	Legal person share	240,000	<1	920,000.00	920,000.00

ST Shanghai Wingsung Data Legal person Co., Ltd.	share	547,515	<1	2,276,100.00	2,276,100.00	
Shanghai Sanjiu Legal person Development Co., Ltd.	share	166,980	<1	375,800.00	375,800.00	
Shen & Wanguo Securities Legal person Co., Ltd.	share	1,760,000	<1	1,250,000.00	1,250,000.00	
Shanghai Oriental Pearl Co., Legal person Ltd.	share	1,680,000	<1	5,300,000.00	5,300,000.00	
	Legal person					
Shanghai Aijian Co., Ltd.	share	833,354	<1	3,033,600.00	3,033,600.00	
Shanghai Sanaifu New Legal person Material Co., Ltd.	share	343,217	<1	360,000.00	360,000.00	
Shanghai Jinjiang Tower Co., Legal person Ltd.	share	418,176	<1	1,130,400.00	1,130,400.00	
	Legal person					
Shanghai Shenneng Co., Ltd.	share	300,000	<1	560,000.00	560,000.00	
	Legal person					
Haitong Securities Co., Ltd.	share	14,583,335	<1	10,200,000.00	10,200,000.00	
	Legal person					
Shanghai Jinling Co., Ltd.	share	5,346,619	1.1	4,705,200.00	4,705,200.00	
Shanghai Narcissus Electric Legal person Appliance Co., Ltd.	share	2,640,000	1.13	9,440,000.00	9,440,000.00	9,440,000.00
Shanghai Hongshen Science & Technology Development Legal person Co., Ltd.	share	1,452,000	1.47	2,637,040.00	2,637,040.00	-
Shanghai Baoding Legal person Investment Co., Ltd.	share	62,500	<1	62,500.00	62,500.00	
	Legal person					
Bank of Communications	share	80,140	<1	99,373.00	0.00	
Tianjin Tiannu Chemical Legal person Group Co., Ltd.	share	<u>110,000</u>		<u>239,957.55</u>	<u>239,957.55</u>	
						<u>9,440,000.00</u>
Total		<u>40,006,466</u>		<u>67,237,628.15</u>	<u>67,138,255.15</u>	<u>00</u>

B. Other equity investment:

A) Equity investment calculated with cost method:

Name of invested unit	Period of investment	Ratio in the registered capital of invested unit	Increase or decrease		Closing balance on account
			Beginning balance	Increase or decrease	
Bayer (China) Polymer Co., Ltd. Shanghai Chemical Industry General Company	2002-2052	10%	119,515,400.23	---	119,515,400.23
Tiandi Chlor-Alkali Chemical Co., Ltd. Shanghai Management Mansion	1997-unlimited	20%	10,000,000.00	---	10,000,000.00
Shanghai Electronic Material Development Company	1993---	---	1,400,000.00	---	1,400,000.00
Shanghai Enterprise Management Association	---	---	100,000.00	---	100,000.00
Shanghai Cultural Development Foundation	---	---	100,000.00	---	100,000.00
Electrization United Factory	---	10%	2,000,000.00	---	2,000,000.00
Shanghai Changjiang Insurance Broker Co., Ltd.	---	---	200,000.00	---	200,000.00
Shanghai Lianheng Isocyanic Acid Grease Co., Ltd.	---	10%	1,500,000.00	---	1,500,000.00
Shanghai Le Kai International Trading Co., Ltd.	---	15%	62,982,697.00	27,992,310.00	90,975,007.00
Suzhou Tianyuan Material Circulation Co., Ltd.	---	16.53%	1,703,051.90	-395,900.00	1,307,151.90
Suzhou Dongchuang Electron Co., Ltd.	---	15.00%	1,489,878.00	---	1,489,878.00
	---	9.40%	<u>1,880,000.00</u>	---	<u>1,880,000.00</u>
Total			<u>202,921,027.13</u>	<u>27,596,410.00-</u>	<u>230,517,437.13</u>

B) Equity investment to subsidiary calculated with equity method

Name of invested unit	Investment	Ratio in the registered capital of invested unit	Beginning balance	Increase or decrease of equity in current period						Closing balance		
				Total	increase	or decrease	Incl.: Investment cost	Affirm gain and loss	Bala Shared nce profit	Initial amount	Accumulated equity increase or decrease	Book b
Tianyuan (Group) High Molecular Material Co., Ltd.	2000 -	90%	28,800,000.00	---	---	---	---	---	---	28,800,000.00	---	28,800.00
Shanghai Tianzhu Chemical Co., Ltd.	---	70%	2,287,405.20	-2,287,405.20	-2,287,405.20	---	---	---	---	---	---	---

Shanghai Rongda Storage & Transportation Company	---	100%	658,711.21	-658,711.21	-658,711.21	---	---	---	---	---	
Shanghai Xintianyuan Chemical Transportation Company	2004-	60%	---	760,183.39	760,183.39	---	---	---	648,000.00	112,183.39	760,183.39
Total			31,746,116.41	-2,185,933.02	-2,185,933.02	0.00	0.00	0.00	29,448,000.00	112,183.39	29,560,183.39

C) Equity investment to associative enterprises calculated with equity method

Name of invested unit	Investment period	Ratio in the registered capital of invested unit	Beginning balance	Increase or decrease of equity in current period					Closing balance	
				Total increase or decrease	Incl.: Investment cost	Affirm gain and loss	Balance amortizati on	Shared profit	Initial amount	Accumulated equity increase or decrease
Shanghai Chlor-Alkali Chemical Real Estate Development Company	1993-not specified	49%	7,995,800.43	235,582.76	---	235,582.76	---	---	15,000,000.00	-6,768,616.81
Shanghai Tianyuan Material Circulation Co., Ltd.	2002-2032	47.92%	10,331,999.94	-2,763,135.66	---	-2,763,135.66	---	---	12,962,500.00	-5,393,635.72
Shanghai Engineering Chemistry Designing Institute Co., Ltd.	1999-2019	48.57%	12,551,612.90	1,010,147.57	---	1,010,147.57	---	---	10,200,000.00	3,361,760.47
Shanghai Herklis Chemical Co., Ltd.	1994-2044	40%	15,216,578.88	-1,764,482.31	---	-1,764,482.31	---	---	21,869,015.00	-8,416,918.43
Shanghai Luwei Plastics Co., Ltd.	1993-2022	50%	11,814,470.87	-729,876.23	---	-729,876.24	---	---	21,648,112.50	-10,563,517.87
Shanghai Yantuo Computer Investment Co., Ltd.	2001-2011	40%	1,005,043.94	-35,506.45	---	-35,506.45	---	---	1,000,000.00	-30,462.51
Shanghai Huasheng Chemical Co., Ltd.	2003-	44%	154,000,000.00	39,160,000.00	39,160,000.00	---	---	---	154,000,000.00	39,160,000.00
West Ningxia PVC Co., Ltd.	2003-2023	30%	83,712,546.00	---	---	---	---	---	83,712,546.00	---
Beijing Yinzhaos Information Technology Co., Ltd.	2004.2-2024.2	67%	1,006,910.60	---	---	---	---	---	1,000,000.00	6,910.60
Shanghai Hensmai Polyurethane Co., Ltd.	2003-2053	30%	66,338,227.21	29,482,548.30	29,482,548.30	---	---	---	66,338,227.21	29,482,548.30
Wu County Tianyuan Slaked Lime Plant	2002-	45%	2,268,589.08	-961,760.13	-842,450.00	48,934.36	---	-168,244.49	2,179,932.68	-873,103.73
Shanghai Tianyuan International Transport Co., Ltd.	1997 - 2012	30%	9,345,935.58	89,255.76	---	122,622.64	---	-33,366.88	15,504,000.00	-6,068,808.66
Shanghai Tiantai Addition Agent	2004.7-2054.7	44%	8,799,039.17	391,989.47	---	---	---	---	8,800,000.00	---

Co., Ltd.					391,989.47					391,028.64
Shanghai Xintianyuan Chemical										
Logistics Co., Ltd.	49.50%	5,576,056.41	-5,576,056.41	-4,900,000.00	-676,056.41	---	---	4,900,000.00		-4,900,000.00
Shanghai Dangerous Chemicals										
Dealing Co., Ltd.	15 years	28%	<u>2,039,920.63</u>	---	---	---	---	---	<u>1,960,000.00</u>	<u>79,920.63</u>
Total			<u>392,002,731.64</u>	<u>58,538,706.66</u>	<u>-62,900,098.30</u>	<u>-4,159,772.26</u>	---	<u>-201,611.37</u>	<u>421,074,333.39</u>	<u>29,467,104.92</u>

(2) Long-term claims investment:

Other claims investment:

<u>Invested unit</u>	<u>Initial investment cost</u>	<u>Annual interest rate</u>	<u>Mature date</u>	<u>Beginning balance</u>	<u>Interest in this year</u>	<u>Accumulated receivable</u>	<u>Closing balance</u>	<u>Depreciation provision</u>
South Risk-free Value-added Fund	1,000,000.00	---	1,000,000.00	---	---	1,000,000.00	---	---

(3) Depreciation provision for long-term investment:

Depreciation provision for long-term equity investment:

<u>Name of invested unit</u>	<u>Beginning</u>			<u>Closing balance</u>	<u>Remark</u>
	<u>balance</u>	<u>Increase</u>	<u>Decrease</u>		
Electrization United Factory	200,000.00	---	---	200,000.00	Expected unreclaimable
Tiandi Chlor-Alkali Chemical Co., Ltd.	1,400,000.00	---	---	1,400,000.00	Assigned investment, no profit returned
Shanghai Management Mansion	100,000.00	---	---	100,000.00	Assigned investment, no profit returned
Shanghai Electronic Material Development Company	100,000.00	---	---	100,000.00	Assigned investment, no profit returned
Shanghai Enterprise Management Association	50,000.00	---	---	50,000.00	Assigned investment, no profit returned
Shanghai Cultural Development Foundation	2,000,000.00	---	---	2,000,000.00	Assigned investment, no profit returned
Shanghai Narcissus Electric Appliance Co., Ltd.	<u>9,440,000.00</u>	---	---	<u>9,440,000.00</u>	Negative net assets of the company
Total	<u>13,290,000.00</u>	---	---	<u>13,290,000.00</u>	

(4) Equity investment difference with price variance consolidated:

<u>Name of invested unit</u>	<u>Initial amount</u>	<u>Cause</u>	<u>Amortization period</u>	<u>Beginning balance</u>	<u>Amount amortized in current period</u>	<u>Amortized amount</u>
Shanghai Chlor-Alkali Chemical Trade Co., Ltd.	1,510,901.67	Investment before 2003	2000-2010	755,450.83	---	755,450.83
Shanghai Addition Agent Factory	11,553,688.90	Investment before 2003	2001-2011	5,414,777.84	5,414,777.84	0.00
Shanghai Da Kai Plastics Co., Ltd.	-4,700,821.98	Investment before 2003	2003-2013	-3,760,657.58	---	-3,760,657.58
Shanghai Tianyuan Chemical Co., Ltd.	<u>18,808,923.16</u>	Investment before 2003	2002-2012	<u>431,597.39</u>	<u>431,597.39</u>	<u>0.00</u>
Total	<u>27,172,691.75</u>	=	=	<u>2,841,168.48</u>	<u>5,846,375.23</u>	<u>-3,005,206.75</u>

(5) The closing balance of long-term investment has increased by RMB 78,003,435.42 or 11.18% than the balance at beginning of the year, the reason for the increase is: the Company increased the investment to Shanghai Huasheng Chemical Co., Ltd., Shanghai Lianheng Isocyanic Acid Grease Co., Ltd. and Shanghai Hensmai Polyurethane Co., Ltd. in this year.

10) Original value of fixed assets and accumulated depreciation:

(1) Original price of fixed assets:

<u>Kind</u>	<u>Beginning balance of original value</u>	<u>Increase</u>	<u>Decrease</u>	<u>Closing balance of original value</u>
House & building	955,603,937.38	74,518,465.91	151,324,770.05	878,797,633.24
Machinery equipment	2,982,096,132.73	261,644,392.44	233,553,434.43	3,010,187,090.74
Transportation device	86,162,239.71	6,388,486.34	7,877,930.53	84,672,795.52
Other equipment	<u>352,382,697.85</u>	<u>1,530,318.83</u>	<u>2,583,304.99</u>	<u>351,329,711.69</u>
Total	<u>4,376,245,007.67</u>	<u>344,081,663.52</u>	<u>395,339,440.00</u>	<u>4,324,987,231.19</u>

Including: Transfer RMB 33,865,008.31 from construction in progress to original value of fixed assets in this year.

For information on pledged or guaranteed fixed assets at end of the year, see Note 9 3).

(2) Accumulated depreciation:

<u>Kind</u>	<u>Beginning</u>	<u>Increase</u>	<u>Appropriated in</u>	<u>Decrease (Note)</u>	<u>Closing balance</u>
-------------	------------------	-----------------	------------------------	------------------------	------------------------

	<u>balance</u>		<u>current period</u>		
House & building	345,748,754.97	14,595,925.45	12,023,200.28	44,768,086.64	327,599,794.06
Machinery					
equipment	1,809,235,970.65	82,929,048.73	104,013,571.97	109,573,975.96	1,889,487,940.85
Transportation					
device	57,787,554.66	3,284,394.79	2,837,942.71	4,991,512.59	58,918,379.57
Other equipment	<u>250,349,861.12</u>	<u>299,429.15</u>	<u>10,796,934.07</u>	<u>2,479,133.95</u>	<u>258,967,090.39</u>
Total	<u>2,463,122,141.40</u>	<u>101,108,798.12</u>	<u>129,671,649.03</u>	<u>161,812,709.14</u>	<u>2,534,973,204.87</u>

(3) Provision for depreciation of fixed assets:

<u>Kind</u>	<u>Beginning balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Closing balance</u>	<u>Cause for appropriation</u>
House & building	16,969,065.90		3,304.28	16,969,065.90	Reclaimable amount lower than book value
		3,304.28			
Machinery	49,317,767.02		4,660,550.51	49,308,481.48	Reclaimable amount lower than book value
equipment		4,651,264.97			
Transportation	419,334.39		9,919.56	409,414.83	Reclaimable amount lower than book value
device		---			
Other equipment	<u>271,138.83</u>			<u>271,138.83</u>	Reclaimable amount lower than book value
		---	---		
Total	<u>66,977,306.14</u>	<u>4,654,569.25</u>	<u>4,673,774.35</u>	<u>66,958,101.04</u>	

(4) Fixed assets fully depreciated but still in service at end of the period:

<u>Kind</u>	<u>Original book value</u>	<u>Accumulated depreciation</u>	<u>Net book value</u>
House & building	27,193,222.11	26,416,211.70	777,010.41
Machinery	828,930,439.91	796,762,259.00	32,168,180.91
equipment			
Transportation	34,877,324.73	33,520,655.13	1,356,669.60
device			
Other	<u>67,479,022.16</u>	<u>64,943,474.57</u>	<u>2,535,547.59</u>
Total	<u>958,480,008.91</u>	<u>921,642,600.40</u>	<u>36,837,408.51</u>

11) Engineering material:

<u>Kind</u>	<u>Closing balance</u>	<u>Beginning balance</u>
Special material	312,676.01	173,435.51
Special equipment	62,450.15	62,450.15
Advance payment for major equipment	<u>27,537,559.63</u>	<u>36,843,276.65</u>
Total	<u>27,912,685.79</u>	<u>37,079,162.31</u>

12) Construction in progress:

<u>Project name</u>	<u>Budget amount</u>	<u>Beginning balance</u>	<u>Increase</u>	<u>Decrease in current period</u>		<u>Closing balance</u>	<u>Fund resources</u>	<u>Ratio of investment in budget</u>
				<u>Transferred to fixed assets</u>	<u>Other decrease</u>			
Technical renovation of rectifier unit	395	3,277,987.99	790,000.01-	---	---	4,067,988.00	Self-raised	
Modification work for cracking furnace	3,060	7,692,115.00	---	---	---	7,692,115.00	Self-raised	25%
Participated employee housing project	2,492	4,317,078.19	---	---	---	4,317,078.19	Self-raised	17%
Scientific research & technical renovation project	12,546	44,897,071.72	15,615,014.02	3,405,272.22	---	57,106,813.52	Self-raised	46%
Reset project for discarded part of electrization plant	1,856	7,901,921.79	5,818,911.03	6,992,988.41	---	6,727,844.41	Self-raised	36%
Huahong Guanlang project	---	93,730,681.81	36,539,209.70	---	---	130,269,891.52	Self-raised and loan	81%
70,000 tons of PVC specific resin	68,622	619,968,624.77	74,004,787.77	---	---	693,973,412.54	Self-raised and loan	
Reset project for discarded part of PVC plant	1,379	16,341,030.80	1,072,780.58	14,223,887.74	---	3,189,923.64	Self-raised	
Expanding of PVC paste resin device	3,822	33,319,463.12	2,588,272.65	---	---	35,907,735.77	Self-raised and loan	94%
Other small projects	---	<u>35,067,660.43</u>	<u>34,401,169.45</u>	<u>9,242,859.94</u>	<u>1,533,305.90</u>	<u>58,692,664.04</u>	Self-raised	
Total		<u>866,513,635.62</u>	<u>170,830,145.22</u>	<u>33,865,008.31</u>	<u>1,533,305.90</u>	<u>1,001,945,466.63</u>		

(2) Amount of capitalization of interest:

Project name	Beginning balance	Increase	Transferred to	Other	Closing balance
			fixed assets in current period	decrease	
Expanding of PVC paste resin device	1,302,756.73	508,725.37	---	---	1,811,482.10
70,000 tons of PVC specific resin	33,670,604.95	---	---	---	33,670,604.95
Huahong Guanlang project	<u>1,430,893.70</u>	<u>2,099,743.00</u>	---	---	<u>3,530,636.70</u>
Total	<u>36,404,255.38</u>	<u>2,608,468.37</u>	---	---	<u>39,012,723.75</u>

(3) Provisions for depreciation of projects in construction:

Project name	Beginning balance	Increase	Decrease in current period	Closing balance	Cause for appropriation
Modification work for cracking furnace	7,692,115.00	---	---	7,692,115.00	Construction stopped

(4) The closing balance of construction in progress has increased by RMB 135,431,831.01 or 15.63% than the beginning balance. The reason is mainly because the Company has increased the investment on the project for 70,000 tons of PVC specific resin, Huahong Guanlang project and other engineering projects.

13) Intangible assets:

(1) Kind	Procurement mode	Original value	Beginning balance	Increase	Amount amortized	Accumulated	Closing balance
					in current period	amortization	
Land use right	Invested and purchased by shareholders	10,570,900.00	2,268,745.20	---	510,544.20	9,833,787.40	1,758,201.00
Housing use right	Purchase	---	63,179,493.86	---	24,179.64	---	63,155,314.22
Technology transfer fee	Purchase	14,685,000.00	<u>14,685,000.00</u>	4,905.00-	---	---	<u>14,689,905.00</u>
Total			<u>80,133,239.06</u>	---	<u>534,723.84</u>	<u>9,833,787.40</u>	<u>79,603,420.22</u>

(1) Appropriated depreciation provision at end of the year

<u>Item</u>	<u>Original book value</u>	<u>Appropriated depreciation provision</u>	<u>Cause for appropriation</u>
Housing use right	---	62,407,759.75	Book value exceeds expected reclaimable amount
Technology transfer fee	<u>14,685,000.00</u>	<u>14,685,000.00</u>	Book value exceeds expected reclaimable amount
Total	<u>14,685,000.00</u>	<u>77,092,759.75</u>	

14) Long-terms fees to be amortized:

<u>Item</u>	<u>Original amount</u>	<u>Beginning balance</u>	<u>Increase</u>	<u>Amount amortized in current period</u>	<u>Accumulate d amortization</u>	<u>Closing balance</u>
Other deferred expenditure		826,389.28	---	83,333.00	---	743,056.28

Note: Other deferred expenditure is mainly the leasing fee for salt heap field.

15) Short-term loan:

<u>Kind of loan</u>	<u>Closing balance</u>	<u>Beginning balance</u>
Credit loan	511,025,150.00	81,000,000.00
Mortgage loan	1,300,000.00	1,300,000.00
Guaranteed loan	<u>780,000,000.00</u>	<u>1,012,538,500.00</u>
Total	<u>1,292,325,150.00</u>	<u>1,094,838,500.00</u>

In which: the foreign currency loans at end of the period is US\$ 12,100,000.00, converted into Renminbi in the exchange rate 8.2765, RMB 100,145,650.00.

16) Notes payable

<u>Kind</u>	<u>Closing balance</u>	<u>Beginning balance</u>
Commercial acceptance	---	14,830,343.78
Bank acceptance	<u>7,699,260.93</u>	<u>16,500,000.00</u>
Total	<u>7,699,260.93</u>	<u>31,330,343.78</u>

17) Accounts payable:

<u>Closing balance</u>	<u>Beginning balance</u>
114,796,696.24	185,983,076.19

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

18) Accounts received in advance:

<u>Closing balance</u>	<u>Beginning balance</u>
64,443,321.30	97,094,197.90

(1) Accounts received in advance with account age over 1 year:

<u>Name of payer</u>	<u>Amount</u>	<u>Cause for unsettlement</u>
Jicheng	2,534,283.57	Not settled
KWOK KEE DEVELOPE CO.LTD	2,343,705.72	Not settled
Zhuhai Jingtun Chemical Industry Company	279,229.20	Not settled
Shaoxing Plastic Textile Mill	270,000.00	Not settled

(2) There is no account receivable in the closing balance received in advance from the shareholders holding 5% or above of the total share capital of the Company.

19) Other payables:

<u>Closing balance</u>	<u>Beginning balance</u>
92,291,440.22	62,489,489.73

(1) Other payables with big amount and account age over 3 years:

<u>Name of creditor's unit</u>	<u>Amount</u>	<u>Cause for unsettlement</u>
Shanghai Engineering Chemistry Designing Institute	999,289.17	Not settled

(2) Other payables with bigger amount at the end of the report period:

<u>Creditor's name</u>	<u>Amount</u>	<u>Nature or content</u>
Shanghai Huayi Group Construction Co., Ltd.	5,722,194.50	Engineering cost
Shanghai Field Engineering Co., Ltd.	4,313,937.00	Engineering cost
Chian Chemical Engineering No. 6 Construction Company	3,222,674.00	Engineering cost
Harbin Boshi Automated Equipment Co., Ltd.	1,530,000.00	Quality assurance cost
Shanghai Engineering Chemistry Designing Institute	1,467,129.17	Engineering cost
Shanghai Quantong Water Conservancy Engineering Co., Ltd.	200,000.00	Dredging expenses

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

20) Wages and salaries payable:

<u>Closing balance</u>	<u>Beginning balance</u>
6,858,234.20	2,751,354.61

21) Dividends payable:

<u>Name or kind of investor</u>	<u>Closing balance of dividend payable</u>	<u>cause of balance</u>
Shareholders of corporate juridical person share	1,428,296.90	not drawn yet
Total	1,428,296.90	

22) Tax payable:

<u>Category of taxes</u>	<u>Closing balance</u>	<u>Beginning balance</u>	<u>Statutory tax rate executed in the report period</u>
			Calculated at 13% to 17% of the taxable income
Value added tax	17,320,163.62	-3,807,788.31	
Business tax	184,975.33	2,167.10	Calculated at 3% to 7% of the taxable

			income
City construction			Calculated at 7% of circulation tax
tax	1,194,072.70	116,019.87	payable
Business income			Calculated at 15% to 33% of taxable
tax	-18,642,000.03	-11,426,843.18	earnings
Tax on personal			
income	1,248.93	90,137.87	
House tax	---	---	
Other	---	<u>1,148,994.00</u>	
Total	<u>58,460.55</u>	<u>-13,877,312.65</u>	

23) Other payables:

<u>Item</u>	<u>Closing</u>	<u>Beginning</u>	<u>Calculating standard</u>
	<u>balance</u>	<u>balance</u>	
Surtax for			
education			Calculated at 3% of circulation tax
expenses	512,115.19	71,941.82	payable
Embankment			
fee	---	13,864.91	
Award to			
compulsory			
serviceman	---	4,895.81	
River			Calculated at 1% of circulation tax
management toll	170,698.75	13,331.95	payable
Water conservancy			
fund	---	---	
Total	<u>682,813.94</u>	<u>104,034.49</u>	

22) Fees appropriated in advance:

<u>Kind</u>	<u>Closing balance</u>	<u>Beginning balance</u>
Interest		
charges	2,536,264.46	2,320,074.69
Repair		
expenses	6,107,706.52	---

Other	<u>960,000.00</u>	<u>158.82</u>
Total	<u>9,603,970.98</u>	<u>2,320,233.51</u>

25) Long-term debts due in one year:

Long-term loan due in one year:

<u>Kind of loan</u>	<u>Closing balance</u>	<u>Beginning balance</u>
Credit loan	---	58,320,000.00
Guaranteed loan	---	<u>200,000,000.00</u>
Total	---	<u>258,320,000.00</u>

26) Long-term loan:

<u>Loan conditions</u>	<u>Closing balance</u>	<u>Beginning balance</u>
Credit loan	150,000,000.00	100,000,000.00
Guaranteed loan	293,270,000.00	293,270,000.00
Mortgage loan	-	-
Pledged loan	-	-
Total	<u>443,270,000.00</u>	<u>393,270,000.00</u>

There is no matured unrefunded long-term loan at the end of the report period.

27) Special payables:

<u>Purpose of appropriation</u>	<u>Closing balance</u>	<u>Beginning balance</u>
Special fund appropriation for project of 70,000 tons of PVC	57,340,000.00	57,340,000.00

28) Share capital:

	<u>Beginning balance</u>	<u>Ratio</u>	<u>Closing balance</u>	<u>Ratio</u>
1 Untradable share				
1) State-owned share	611,510,647.00	52.51%	611,510,647.00	52.51%
2) Raised legal person share	<u>118,580,000.00</u>	<u>10.18%</u>	<u>118,580,000.00</u>	<u>10.18%</u>
Subtotal of untradable	<u>730,090,647.00</u>	<u>62.70%</u>	<u>730,090,647.00</u>	<u>62.70%</u>

share					
2. Tradable share					
1) Renminbi ordinary	27,832,420.00	2.39%	27,832,420.00	2.39%	
share					
2) Domestic listed foreign	<u>406,560,000.00</u>	<u>34.91%</u>	<u>406,560,000.00</u>	<u>34.91%</u>	
capital share					
Subtotal of tradable share	<u>434,392,420.00</u>	<u>37.30%</u>	<u>434,392,420.00</u>	<u>37.30%</u>	
3. Total number of shares	1,164,483,067.00	100.00%	1,164,483,067.00	100.00%	

29) Capital reserves:

<u>Item</u>	<u>Beginning balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Closing balance</u>
Share premium	1,531,064,775.02	---	---	1,531,064,775.02
Transferred in from housing				
circulation fund	1,030,233.40	---	---	1,030,233.40
Provision for equity				
investment	9,444,222.63	---	---	9,444,222.63
Asset reserve for accepting				
donated non-cash assets	2,736,973.32	---	---	2,736,973.32
Other	<u>20,196,821.18</u>	---	---	<u>20,196,821.18</u>
Total	<u>1,564,473,025.55</u>	<u>---</u>	<u>---</u>	<u>1,564,473,025.55</u>

30) Statutory surplus reserves:

<u>Item</u>	<u>Beginning balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Closing balance</u>
	<u>balance</u>		<u>(Note)</u>	
Statutory surplus	94,607,581.99	---	272,779.21	94,334,802.78
reserves				
Statutory public	10,448,354.13	---	272,779.21	10,175,574.92
welfare fund				
Discretionary	<u>27,916,977.07</u>	---	---	<u>27,916,977.07</u>
surplus reserves				
Total	<u>132,972,913.19</u>	<u>---</u>	<u>545,558.42</u>	<u>132,427,354.77</u>

[Note] The decrease of surplus reserves in the report period is caused by the change of consolidation range.

31) Undistributed profit:

<u>Item</u>	<u>Amount</u>
Beginning balance of undistributed profit	53,720,981.52
Plus: Other transferred in	---
Net profit in this year	-40,443,173.53
Less: Appropriated statutory surplus reserves	---
Appropriated statutory public welfare fund	---
Appropriated discretionary surplus reserves	---
Ordinary share dividends payable	---
Dividends of ordinary share transferred to share capital	---
Undistributed profit at end	13,277,807.99

32) Main business income, main business cost:

<u>Item</u>	<u>Main business income</u>		<u>Main business cost</u>		<u>Gross profit of main business</u>	
	<u>Accumulated amount of</u>		<u>Accumulated amount of</u>		<u>amount of current</u>	<u>Same period of last</u>
	<u>current period</u>	<u>Same period of last year</u>	<u>current period</u>	<u>Same period of last year</u>	<u>period</u>	<u>year</u>
1. Industry	1,870,615,627.17	1,981,506,138.04	1,713,516,805.18	1,637,842,683.72	157,098,821.99	343,663,454.32
2. Commerce	113,803,753.74	180,523,323.29	109,756,212.92	176,037,641.33	4,047,540.82	4,485,681.96
3. Tourism & food service	243,788.00	278,602.00	---	---	243,788.00	278,602.00
4. Transport service	5,861,625.06	221,029,212.75	3,273,350.54	204,692,290.45	2,588,274.52	16,336,922.30
Subtotal	<u>1,990,524,793.97</u>	<u>2,383,337,276.08</u>	<u>1,826,546,368.64</u>	<u>2,018,572,615.50</u>	<u>163,978,425.33</u>	<u>364,764,660.58</u>
Busin Mutual offsetting inside the ess business departments of the type Company	<u>23,257,468.08</u>	<u>34,737,869.63</u>	<u>21,387,567.65</u>	<u>34,737,869.63</u>	---	---
Total	<u>1,967,267,325.89</u>	<u>2,348,599,406.45</u>	<u>1,805,158,800.99</u>	<u>1,983,834,745.87</u>	<u>163,978,425.33</u>	<u>364,764,660.58</u>

Note: The gross profit of transport service has decreased by RMB 13,748,647.78 than the same period of last year; this is because in this report period Tianyuan International Transortation have not been consolidated into the accounting statements.

<u>Item</u>	<u>Main business income</u>	<u>Main business cost</u>	<u>Gross profit of main business</u>
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	<u>Accumulated amount</u>		<u>Accumulated amount</u>		<u>Accumulated</u>	
	<u>of current period</u>	<u>Same period of last year</u>	<u>of current period</u>	<u>Same period of last year</u>	<u>amount of current period</u>	<u>Same period of last year</u>
	Shanghai	1,990,281,005.97	2,383,058,674.08	1,826,546,368.64	2,018,572,615.50	163,734,637.33
Area outside Shanghai	243,788.00	278,602.00	---	---	243,788.00	278,602.00
Subtotal	<u>1,990,524,793.97</u>	<u>2,383,337,276.08</u>	<u>1,826,546,368.64</u>	<u>2,018,572,615.50</u>	<u>163,978,425.33</u>	<u>364,764,660.58</u>
Mutual offsetting inside the departments of the Company in Regions different area	<u>23,257,468.08</u>	<u>34,737,869.63</u>	<u>23,257,468.08</u>	<u>34,737,869.63</u>	---	---
Total	<u>1,967,267,325.89</u>	<u>2,348,599,406.45</u>	<u>1,803,288,900.56</u>	<u>1,983,834,745.87</u>	<u>163,978,425.33</u>	<u>364,764,660.58</u>

33) Tax and surtax of main business:

<u>Item</u>	<u>Calculating standard</u>	<u>This period</u>	<u>Last year</u>
	At 3% to 7% of the taxable		
Business tax	income	254,055.94	1,920,021.87
City construction tax	At 7% of circulation tax payable	3,195,246.20	9,504,089.52
Surtax for education expenses	At 3% of circulation tax payable	1,384,892.06	4,119,451.17
Other	-	<u>21,231.10</u>	<u>64,854.16</u>
Total		<u>4,855,425.30</u>	<u>15,608,416.72</u>

34) Other business profit:

<u>Kind</u>	<u>Accumulated amount of current period</u>			<u>Same period of last year</u>		
	<u>Income</u>	<u>Cost</u>	<u>Profit</u>	<u>Income</u>	<u>Cost</u>	<u>Profit</u>
Sales of service	1,471,147.57	1,471,147.57	--	269,259.90	270,707.38	-1,447.48
Leasing income	4,181,647.50	4,170,707.45	10,940.05	7,895,641.12	8,318,356.94	-422,715.82
Income from material sales	141,128,867.49	134,387,841.68	6,741,025.81	8,787,696.77	10,345,784.90	-1,558,088.13
Other	<u>421,835.08</u>	<u>471,256.63</u>	<u>-49,421.55</u>	<u>8,789,226.54</u>	<u>7,604,717.63</u>	<u>1,184,508.91</u>
Total	<u>147,203,497.64</u>	<u>140,500,953.33</u>	<u>6,702,544.31</u>	<u>25,741,824.33</u>	<u>26,539,566.85</u>	<u>-797,742.52</u>

Other business profit has increased by RMB 7,500,286.83 than last year; this is because of the material sales in current period.

35) Financial expenses:

<u>Kind</u>	<u>Accumulated amount of current period</u>	<u>Same period of prior period</u>
Interest cost	42,109,565.53	29,321,262.76
Less: Interest income	1,554,214.17	3,752,299.77
Exchange loss	152,677.59	189,757.62
Less: Exchange earnings	54,124.31	94,132.63
Other	<u>862,894.97</u>	<u>663,284.46</u>
合计	<u>41,516,799.61</u>	<u>26,327,872.44</u>

The financial expenses has increased by RMB 15,188,927.17 than the same period of last year; this is mainly because of the capitalization of the Company's interest from project.

36) Investment income:

(1) This period:

<u>Kind</u>	<u>Stock investment</u>	<u>Earnings from claims investment</u>	<u>Investment earnings</u>		<u>Amortization of equity investment differences</u>	<u>Income from disposal</u>	<u>Depreciation provision</u>	<u>Total</u>
			<u>according to cost method</u>	<u>Investment earnings recognized</u>				
					<u>Normal amortization</u>	<u>Transferred out due to depreciation</u>		
Short-term investment	---	---	---	---	---	---	---	---
Long-term equity investment	288,645.20	---	536,518.49	-3,158,658.40	---	---	---	-2,333,494.71
Long-term claims investment	---	---	---	---	---	---	---	---
Total	<u>288,645.20</u>	<u>---</u>	<u>536,518.49</u>	<u>-3,158,658.40</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>-2,333,494.71</u>

(2) Amount of same period
of last year:

Kind	Stock investment	Earnings from claims investment	Investment earnings recognized according to cost method	Investment earnings recognized according to equity method	Amortization of equity investment differences	Income from equity transfer	Depreciation provision	Total
			Normal amortization	Transferred out due to depreciation				
Short-term investment	---	---	---	---	---	---	---	---
Long-term equity investment	831,697.05	---	491,962.16	1,269,533.13	---	---	---	2,593,192.34
Long-term claims investment	---	---	---	---	---	---	---	---
Total	<u>831,697.05</u>	---	<u>491,962.16</u>	<u>1,269,533.13</u>	---	---	---	<u>2,593,192.34</u>

(3) The investment income in this year has decreased by RMB 4,926,687.05 or 189.98% than that of last year; this is mainly because the invested unit Shanghai Tianyuan Material Circulation Co., Ltd. and Shanghai Hekelishi Chemicals Co., Ltd. have suffered big loss in this year.

37) Subsidiary earnings:

Content	Accumulated amount of current period	Same period of last year
Subsidy income	---	587,910.00
Total	---	<u>587,910.00</u>

38) Non-business income:

Kind	This period	Same period of last year
Income from disposal of fixed assets	---	15,816.72

Other	<u>4,110.04</u>	<u>1,255,859.87</u>
Total	<u>4,110.04</u>	<u>1,271,676.59</u>

39) Non-business expenses:

<u>Kind</u>	<u>Current year</u>	<u>Same period of last year</u>
Loss from disposal of fixed assets	9,491.65	2,987,159.60
Expenditure from donation	--	--
Penalty expenditure	---	23,982.20
Unusual loss	---	1,237,200.00
Provisions for depreciation of intangible assets appropriated	---	--
Other	<u>1,930.28</u>	<u>-64.91</u>
Total	<u>11,421.93</u>	<u>4,248,276.89</u>

40) Other cash related to operating activities received RMB 5,750,559.73

<u>Item</u>	<u>Amount</u>
Incl.: Interest income	1,570,840.72
Income from indemnity	920,000.00
Income from cash pledge in keeping public security	828,000.00
Income from business with enterprises	2,431,719.01
Total	<u>5,750,559.73</u>

41) Other cashes paid related to operating activities amount to RMB 125,562,783.84.

<u>Item</u>	<u>Amount</u>
Repair cost, water and electricity expenses and water pollution charge	7,673,971.62
Office expense, meeting service cost, and travel charge	6,533,281.50
Environmental protection fee and vegetation maintenance fee	4,158,254.00
Leasing expenses, premium and sales agent	17,832,488.13

fee	
Business entertainment expenses,	
advertising cost and consultant fee	12,080,293.36
Transportation charge and safekeeping and	
fire fighting fees	29,089,482.72
Labour insurance fee	26,123,917.67
Experimental expenses and commercial	
examination fee	238,870.30
Warehouse fee, packing charge and loading	
and unloading cost	4,285,095.85
Business between enterprises	<u>17,547,128.69</u>
Total	<u>125,562,783.84</u>

6. Notes on main items of the parent company's accounting statements (If not specially indicated the unit should be RMB, and if not indicated as the data at beginning of the year the data should be at end of the year):

1) Accounts receivable:

(1) Aging analysis:

Account	Closing balance			Beginning balance			
	Book balance	Ratio in the total amount	Appropriated ratio for bad debt provision	Book balance	Ratio in the total amount	Appropriated ratio for bad debt provision	Bad debt provision
Within 1							
year	211,014,977.99	62.90%	5.00%	124,852,659.69	51.92%	5.00%	6,242,632.98
1-2 years	72,040,150.37	21.47%	20.00%	65,713,203.73	27.32%	20.00%	15,339,188.31
2-3 years	28,091,115.32	8.37%	50.00%	16,074,764.91	6.68%	50.00%	12,445,343.34
Over 3							
years	<u>24,333,641.26</u>	<u>7.26%</u>	<u>100.00%</u>	<u>33,862,913.84</u>	<u>14.08%</u>	<u>100.00%</u>	<u>33,862,913.84</u>
Total	<u>335,479,884.94</u>	<u>100.00%</u>	<u>---</u>	<u>240,503,542.17</u>	<u>100.00%</u>	<u>---</u>	<u>67,890,078.47</u>

(2) The total amount of the first 5 accounts receivables is RMB 154,040,611.33, accounting for 45.92% of the total accounts receivables.

- (3) Notes on the appropriated bad debt provision in full or in 40% and higher except the bad debt provision appropriated as per account age according to the Company's accounting policy, as of the end of the year:

<u>Name of the unit with arrearage</u>	<u>Amount in arrear</u>	<u>Appropriated amount</u>	<u>Reason</u>
Shanghai Lingguang Industry Co., Ltd.	4,054,374.23	4,054,374.23	Expected difficult to reclaim
Shanghai Peiling Development Co., Ltd.	2,065,547.98	2,065,547.98	Expected difficult to reclaim
Shaoxing Xinyuan Chemical Material Co., Ltd.	2,102,513.90	2,102,513.90	Expected difficult to reclaim
Shanghai Nansheng Sino-foreign Enterprise Fine Products Industrial Company	1,600,000.00	1,600,000.00	Expected difficult to reclaim
Shanghai Industrial Plastic Products Co., Ltd.	2,290,762.16	2,290,762.16	Expected difficult to reclaim
Shanghai Mingguang Communication Electromechanical Industry Co., Ltd.	2,538,018.00	2,538,018.00	Expected difficult to reclaim
Shanghai Xinyao Hardware & Tools Co., Ltd.	110,273.00	109,414.95	Expected difficult to reclaim
Shanghai Resin Factory Co., Ltd.	4,242,437.41	3,979,540.52	Expected difficult to reclaim in full

- (4) Accounts receivable actually written off in current year:

<u>Name of the unit with arrearage</u>	<u>Nature</u>	<u>Written-off amount</u>	<u>Written-off reason</u>	<u>Whether involved with associative transactions</u>
53 units in arrearage lower than RMB 50,000	Payment for goods	904,062.33	Business license is withdrawn or company is canceled	No

50 units in arrearage from RMB 50,000 to RMB 500,000	Payment for goods	6,839,459.73	Business license is withdrawn or company is canceled	No
6 units in arrearage over RMB 500,000	Payment for goods	7,041,908.32	Business license is withdrawn or company is canceled	No

(5) For the accounts receivable at end of the year the shareholders holding 5% or above of the total share capital of the Company owes RMB 3,689,240.50 to the Company. For details see Note 7 3) (2) C.

2) Other receivables:

(1) Aging analysis:

Account	Closing balance of the year				Beginning balance of the year				
	age	Book balance	Ratio in the total amount	Appropriated ratio for bad debt provision	Bad debt provision	Book balance	Ratio in the total amount	Appropriated ratio for bad debt provision	Bad debt provision
Within 1 year		26,862,978.32	5.36%	---	---	14,080,706.49	2.88%	---	---
1-2 years		622,951.16	0.12%	---	---	863,353.39	0.17%	---	---
2-3 years		22,810,185.94	4.55%	---	---	28,627,518.72	5.85%	---	---
Over 3 years		451,079,421.08	89.97%	---	156,554,597.68	445,813,121.65	91.10%	---	156,554,597.68
Total		501,375,536.50	100.00%	---	156,554,597.68	489,384,700.25	100.00%	---	156,554,597.68

(2) The total amount of the first 5 other receivables at end of the year is RMB 385,114,210.96, accounting for 74.39% of the total of other receivables.

(3) Notes for the provisions for bad debts in the ratio of 40% or above or in full as of the end

of the year:

<u>Name of the unit with arrearage</u>	<u>Amount in arrear</u>	<u>Appropriated ratio</u>	<u>Reason</u>
Chongming Processing Unit	1,400,000.00	100%	Account age over 3 years, expected unreclaimable
Guoxin Industry Entrusted Unit	286,110.00	100%	Account age over 3 years, expected unreclaimable
Wu County Muxie Cement Mill	728,640.00	100%	Account age over 3 years, expected unreclaimable
Yangpu Lexin Industry Co., Ltd.	39,344,205.00	100%	Account age over 3 years, expected unreclaimable
Zhongjian Real Estate Tianling Company	1,330,460.24	100%	Account age over 3 years, expected unreclaimable
Laide Automobile Company	1,257,371.88	100%	Account age over 3 years, expected unreclaimable
Shanghai Baishigao Plastic Co., Ltd.	13,466,218.25	100%	Account age over 3 years, expected unreclaimable
Leanda guarantee	21,934,405.00	100%	Account age over 3 years, expected unreclaimable
Leanda loan	12,000,581.67	100%	Account age over 3 years, expected unreclaimable

(4) Other receivables with bigger amount at end of the year:

<u>Name of the unit with arrearage</u>	<u>Amount</u>	<u>Nature or content</u>	<u>If associated</u>
Shanghai Tianyuan (Group) Co., Ltd.	313,111,427.72	Assets transfer or mutual deal	Yes
Yangpu Lexin Industry Co., Ltd.	39,344,205.00	Mutual deal	Yes
Shanghai Baishigao Plastic Co., Ltd.	13,520,523.31	Mutual deal	Yes
Pacific Biological High-tech Co., Ltd.	15,600,000.00	Mutual deal	Yes

(5) For other receivables at end of the year the shareholders holding 5% or above of the total share capital of the Company owes RMB 313,111,400 to the Company. For details see Note 7 3) (2) C.

3) Long-term investment:

<u>Item</u>	<u>Closing balance of the year</u>		<u>Beginning balance of the year</u>	
	<u>Amount</u>	<u>Depreciation provision</u>	<u>Amount</u>	<u>Depreciation provision</u>
Long-term equity investment	1,032,165,906.90	13,290,000.00	1,011,456,310.95	13,290,000.00
Long-term claims investment	<u>1,000,000.00</u>	<u>---</u>	<u>1,000,000.00</u>	<u>---</u>
Total	<u>1,033,165,906.90</u>	<u>13,290,000.00</u>	<u>1,012,456,310.95</u>	<u>13,290,000.00</u>

(1) Long-term equity investment:

A. Stock investment:

<u>Name of invested company</u>	<u>Kind of share</u>	<u>Number of share</u>	<u>Ratio in the registered capital of invested company</u>	<u>Initial investment cost</u>	<u>Book balance</u>	<u>Depreciation provision</u>
	Legal person					
Shanghai Lingguang Industry Co., Ltd.	share	819,720	<1	824,934.00	824,934.00	-
	Legal person					
Shanghai Longtou (Group) Co., Ltd.	share	720,000	<1	2,400,000.00	2,400,000.00	-
	Legal person					
Shanghai No. 1 Foodstuff Co., Ltd.	share	1,443,226	<1	1,360,896.00	1,360,896.00	-
	Legal person					
Bailian Group Co., Ltd.	share	1,443,484	<1	3,956,230.00	3,956,230.00	-
	Legal person					
Shanghai Jiabao Industry Co., Ltd.	share	1,497,600	<1	3,992,000.00	3,992,000.00	-
	Legal person					
Shanghai Tyre & Rubber Co., Ltd.	share	143,000	<1	690,000.00	690,000.00	-

	Legal person					
Shanghai White Cat Co., Ltd.	share	1,452,000	<1	6,002,000.00	6,002,000.00	-
	Legal person					
Shanghai Shenda Co., Ltd.	share	290,400	<1	636,800.00	636,800.00	-
	Legal person					
ST Shanghai Fenhua (Group) Co., Ltd.	share	475,200	<1	1,789,797.60	1,789,797.60	-
	Legal person					
China Textile Machinery Co., Ltd.	share	858,000	<1	2,095,000.00	2,095,000.00	-
	Legal person					
Shanghai Petrochemical Co., Ltd.	share	300,000	<1	900,000.00	900,000.00	-
	Legal person					
Shanghai Electric Appliance Co., Ltd.	share	240,000	<1	920,000.00	920,000.00	-
	Legal person					
ST Shanghai Wingsung Data Co., Ltd.	share	547,515	<1	2,276,100.00	2,276,100.00	-
	Legal person					
Shanghai Sanjiu Development Co., Ltd.	share	166,980	<1	375,800.00	375,800.00	-
	Legal person					
Shen & Wanguo Securities Co., Ltd.	share	1,760,000	<1	1,250,000.00	1,250,000.00	-
	Legal person					
Shanghai Oriental Pearl Co., Ltd.	share	1,680,000	<1	5,300,000.00	5,300,000.00	-
	Legal person					
Shanghai Aijian Co., Ltd.	share	833,354	<1	3,033,600.00	3,033,600.00	-
	Legal person					
Shanghai Sanaifu New Material Co., Ltd.	share	343,217	<1	360,000.00	360,000.00	-
	Legal person					
Shanghai Jinjiang Tower Co., Ltd.	share	418,176	<1	1,130,400.00	1,130,400.00	-
	Legal person					
Shanghai Shenneng Co., Ltd.	share	300,000	<1	560,000.00	560,000.00	-
	Legal person					
Haitong Securities Co., Ltd.	share	14,583,335	<1	10,200,000.00	10,200,000.00	-
	Legal person					
Shanghai Jinling Co., Ltd.	share	5,346,619	1.1	4,705,200.00	4,705,200.00	-
Shanghai Narcissus Electric Appliance Co., Ltd.	Legal person					
	share	2,640,000	1.13	9,440,000.00	9,440,000.00	9,440,000.00

Shanghai Hongshen Science & Technology Legal person						
Development Co., Ltd.	share	1,452,000	1.47	2,637,040.00	2,637,040.00	-
Legal person						
Shanghai Baoding Investment Co., Ltd.	share	62,500	<1	62,500.00	62,500.00	-
Legal person						
Tianjin Tiannu Chemical Group Co., Ltd.	share	<u>110,000</u>		<u>239,957.55</u>	<u>239,957.55</u>	-
Total		39,926,326		67,138,255.15	67,138,255.15	9,440,000.00

The above are all untradable legal person share, so have no market price at end of the period.

B. Other equity investment:

A) Equity investment calculated with cost method:

<u>Name of invested unit</u>	<u>Period of investment</u>	Ratio in the registered capital of invested unit	<u>Beginning</u>	<u>Increase or decrease</u>	<u>Closing book balance</u>
			<u>balance</u>		
Bayer (China) Polymer Co., Ltd.	2002-2052	10%	119,515,400.23	---	119,515,400.23
Shanghai Chemical Industry General Company					
	1997-unlimited	20%	10,000,000.00	---	10,000,000.00
Tiandi Chlor-Alkali Chemical Co., Ltd.					
	1993---	---	1,400,000.00	---	1,400,000.00
Shanghai Management Mansion					
	---	---	100,000.00	---	100,000.00
Shanghai Electronic Material Development Company					
	---	---	100,000.00	---	100,000.00
Shanghai Enterprise Management Association					
	---	---	50,000.00	---	50,000.00
Shanghai Cultural Development Foundation					
	---	10%	2,000,000.00	---	2,000,000.00
Electrization United Factory					
	---	---	200,000.00	---	200,000.00
Shanghai Changjiang Insurance Broker Co., Ltd.					
	---	10%	1,500,000.00	---	1,500,000.00
Shanghai Lianheng Isocyanic Acid Grease Co., Ltd.					
	---	15%	62,982,697.00	27,992,310.00	90,975,007.00

Shanghai Le Kai International

Trading Co., Ltd.	---	16.53%	<u>1,703,051.90</u>	<u>-395,900.00</u>	<u>1,307,151.90</u>
Total			<u>199,551,149.13</u>	<u>27,596,410.00</u>	<u>227,147,559.13</u>

B) Equity investment to subsidiary calculated with equity method:

Name of invested unit	Investment period	Ratio in the registered capital of invested unit	Beginning balance	Increase or decrease							Closing balance	
				Total increase or decrease	Incl. Investment cost	Affirm gain and loss	Balance amortization	Shared profit	Initial amount	Accumulated equity increase or decrease	Book balance	
Shanghai Huahong Guanlang												
Co., Ltd.	2003-2013	70.00%	28,000,000.00	---	---	---	---	---	---	28,000,000.00	---	28,000,000.00
Tianyuan (Group) High Molecular												
Material Co., Ltd.	2000 -	90.00%	28,800,000.00	---	---	---	---	---	---	28,800,000.00	---	28,800,000.00
Shanghai Da Kai Plastics Co., Ltd.												
	1996-2011	90.00%	91,027,923.55	5,523,300.08	---	5,523,300.08	---	---	---	85,170,558.23	11,380,665.40	96,551,223.63
Shanghai Addition Agent												
Factory Co., Ltd.	2000.12	85.13%	43,816,325.93	-43,816,325.93	-43,816,325.93	---	---	---	---	---	---	---
Suzhou Gusu Economic 1994-unlimited												
Development General Company	d	80.00%	7,974,521.57	920.425	---	920.42	---	---	---	8,000,000.00	-24,558.01	7,975,441.99
Shanghai Chlor-Alkali Chemical 1995-unlimited												
Trade Co., Ltd.	d	90.00%	105,139,658.33	173,417.75	---	255,105.34	---	-81,687.59	95,060,516.73	10,252,559.35	105,313,076.08	
Shanghai Tianyuan Chemical												
Co., Ltd.	2002-	76.22%	52,777,869.61	-52,777,869.61	-52,777,869.61	---	---	---	---	---	---	---
Shanghai Jinyuan Water Plant												
Tap Water Co., Ltd.	2005-	77.78%	0.00	4,622,164.66	4,833,977.45	-211,812.79	---	---	7,000,200.00	-2,378,035.34	4,622,164.66	
Shanghai Xintianyuan Chemical												
Logistics Co., Ltd.	2003-2023	57.82%	2,843,853.08	15,272,815.51	14,500,000.00	772,815.51	---	---	2,500,000.00	15,616,668.59	18,116,523.67	
Subtotal			<u>360,380,152.07</u>	<u>-71,001,577.12</u>	<u>-77,260,218.09</u>	<u>6,340,328.56</u>	---	<u>-81,687.59</u>	<u>254,531,274.96</u>	<u>34,847,299.99</u>	<u>289,378,574.95</u>	

C. Equity investment to associative enterprises calculated with equity method

Name of invested unit	Investment period	Ratio in the registered capital of invested unit	Beginning balance	Increase or decrease							Closing balance	
				Total increase or decrease	Incl. Investment cost	Affirm gain and loss	Balance amortization	Shared profit	Initial amount	Accumulated equity increase or decrease	Book balance	
Shanghai Tiantai Addition Agent	2004.7-2054.7	44.00%	8,799,039.17	391,989.47	--	---	---	---	8,800,000.00	391,028.64	9,191,028.64	

Co., Ltd.												391,989.47
Suzhou Tianyuan Material												
Circulation Co., Ltd.	2002-2032	47.92%	10,331,999.94	-2,763,135.66	---	-2,763,135.66	---	---	12,962,500.00	-5,393,635.72	7,568,864.28	
Shanghai Chlor-Alkali Chemical												
Real Estate Development	1993-not											
Company	specified	49.00%	7,995,800.43	235,582.76	---	235,582.76	---	---	15,000,000.00	-6,768,616.81	8,231,383.19	
Tianyuan International Transport												
Co., Ltd.	1997-2012	30.00%	9,345,935.58	89,255.76	---	122,622.64	---	-33,366.88	15,504,000.00	-6,068,808.66	9,435,191.34	
Shanghai Engineering Chemistry												
Designing Institute	1999-2019	48.57%	12,551,612.90	1,010,147.57	---	1,010,147.57	---	---	10,200,000.00	3,361,760.47	13,561,760.47	
Shanghai Herklis Chemical Co.,												
Ltd.	1994-2044	40.00%	15,216,578.88	-1,764,482.31	---	-1,764,482.31	---	---	21,869,015.00	-8,416,918.43	13,452,096.57	
Shanghai Luwei Plastics Co., Ltd.	1993-2022	50.00%	11,814,470.87	-729,876.24	---	-729,876.24	---	---	21,648,112.50	-10,563,517.87	11,084,594.63	
Shanghai Yantuo Computer												
Investment Co., Ltd.	2001-2011	40.00%	1,005,043.94	-35,506.45	---	-35,506.45	---	---	1,000,000.00	-30,462.51	969,537.49	
Beijing Yinzhao Information												
Technology Co., Ltd.	2004.2-2024.2	67.00%	1,006,910.60	---	---	---	---	---	1,000,000.00	6,910.60	1,006,910.60	
Wu County Tianyuan Slaked Lime												
Plant	2002-	45.00%	2,268,589.08	-961,760.13	-842,450.00	48,934.36	---	-168,244.49	2,179,932.68	-873,103.73	1,306,828.95	
Shanghai Huasheng Chemical Co.,												
Ltd.	2003-	44.00%	154,000,000.00	39,160,000.00	39,160,000.00	---	---	---	154,000,000.00	39,160,000.00	193,160,000.00	
West Ningxia PVC Co., Ltd.	2003-2023	30.00%	83,712,546.00	---	---	---	---	---	83,712,546.00	---	83,712,546.00	
Shanghai Hensmai Polyurethane												
Co., Ltd.	2003-2053	30.00%	66,338,227.21	29,482,548.30	29,482,548.30	---	---	---	66,338,227.21	29,482,548.30	95,820,775.51	
Subtotal			<u>384,386,754.60</u>	<u>64,114,763.07</u>	<u>67,800,098.30</u>	<u>-3,483,723.86</u>	---	<u>-201,611.37</u>	<u>414,214,333.39</u>	<u>34,287,184.29</u>	<u>448,501,517.67</u>	

D. Including: Equity investment difference

Name of invested company	<u>Original</u>	<u>Initial</u>	<u>Amortizati</u>	<u>Expected</u>	<u>Actual amortized</u>	<u>Accumulated</u>	<u>Balance after</u>
	<u>difference</u>	<u>amortization</u>	<u>on period</u>	<u>Amortized</u>	<u>amount in current</u>	<u>amortization</u>	<u>amortization</u>
				<u>amount</u>	<u>period</u>		
Shanghai Chlor-Alkali							
Chemical Trade Co., Ltd.	1,510,901.67	Jan. 2000	10.00	---	---	755,450.84	755,450.83
Shanghai Luwei Plastics Co.,							
Ltd.	-106,887.50	Jan. 1998	10.00	---	---	-74,821.25	-32,066.25

Shanghai Da Kai Plastics Co., Ltd.	-4,700,821.98	Dec. 2002	10.00	---	---	-940,164.40	-3,760,657.58
Shanghai Tianyuan Material Circulation Co., Ltd.	-331,190.68	June 2002	10.00	---	---	-82,797.67	-248,393.01
Wu County Tianyuan Slaked Lime Plant	41,685.88	March 2002	10.00	---	---	11,463.62	30,222.26
Subtotal	<u>-3,586,312.61</u>			---	---	<u>-330,868.86</u>	<u>-3,255,443.75</u>

(2) Long-term claims investment:

Other claims investment:

Invested unit	Initial investment cost	Annual interest rate	Mature date	Beginning balance of the year	Interest in this year	Accumulated interest receivable	Closing balance of the year	Depreciation provision
South Risk-free Value-added Fund	1,000,000.00	--	---	1,000,000.00	---	---	1,000,000.00	---

(3) Depreciation provision for long-term investment

Depreciation provision for long-term equity investment:

Name of invested unit	Beginning balance		Closing balance		Remark
	of the year	Increase	Decrease	of the year	
Electrization United Factory	200,000.00	---	---	200,000.00	Expected unreclaimable
Tiandi Chlor-Alkali Chemical Co., Ltd.	1,400,000.00	---	---	1,400,000.00	Assigned investment, no profit returned
Shanghai Management Mansion	100,000.00	---	---	100,000.00	Assigned investment, no profit returned
Shanghai Electronic Material Development Company	100,000.00	---	---	100,000.00	Assigned investment, no profit returned
Shanghai Enterprise Management Association	50,000.00	---	---	50,000.00	Assigned investment, no profit returned
Shanghai Cultural Development Foundation	2,000,000.00	---	---	2,000,000.00	Assigned investment, no profit returned
Shanghai Narcissus Electric	<u>9,440,000.00</u>	---	---	<u>9,440,000.00</u>	Negative net assets of the company

Appliance Co., Ltd.

Total 13,290,000.00 0.00 00.00 13,290,000.00

(4) The closing balance of long-term investment at end of the year has increased by RMB 20,709,595.95 or 2.05% than the balance at beginning of the year, the reason for the increase mainly is: the Company has increased the investment to Shanghai Huasheng Chemical Co., Ltd., Shanghai Lianheng Isocyanic Acid Grease Co., Ltd. and Shanghai Hensmai Polyurethane Co., Ltd. in this year.

1) Main business income and main business cost:

Kind of main

business

Main business income

Main business cost

	<u>Accumulated amount in</u>		<u>Accumulated amount in</u>	
	<u>this year</u>	<u>Same period of last year</u>	<u>this year</u>	<u>Same period of last year</u>
Industry	1,816,865,647.99	1,706,070,533.49	1,670,740,212.51	1,390,074,717.63

2) Income from investments:

(1) accumulated amount in this year

<u>Kind</u>	<u>Stock investment</u>	<u>Earnings from claims investment</u>	<u>Equity investment earnings recognized according to cost method</u>	<u>Equity investment earnings recognized according to equity method</u>	<u>Amortization of equity investment differences</u>	<u>Income from disposal</u>	<u>Depreciation provision</u>	<u>Total</u>
					<u>Normal amortization</u>	<u>due to depreciation</u>		
Short-term investment	---	---	---	---	---	---	---	---
Long-term equity investment	288,645.20	---	455,906.34	2,778,944.81	---	---	---	3,523,496.35
Long-term claims investment	---	---	---	---	---	---	---	---
Total	<u>288,645.20</u>	<u>---</u>	<u>455,906.34</u>	<u>2,778,944.81</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>3,523,496.35</u>

(2) Same period of last year

Kind	Stock investment	Earnings from claims investment	Equity investment earnings recognized according to cost method	Equity investment earnings recognized according to equity method	Amortization of equity investment differences	Income from disposal	Depreciation provision	Total
					Transferred out Normal amortization	due to depreciation		
Short-term investment	---	---	---	---	---	---	---	---
Long-term equity investment	831,697.05	---	491,962.16	-4,982,133.07	---	---	---	-3,658,473.86
Long-term claims investment	---	---	---	---	---	---	---	---
Total	<u>831,697.05</u>	<u>---</u>	<u>491,962.16</u>	<u>-4,982,133.07</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>-3,658,473.86</u>

7. Associative parties and the transactions:

1) Associative parties with control relations:

(1) Associative parties with control relations:

A. Associative party controlling the Company:

Enterprise name	Registration add.	Main business	Relation with the Company	Economic nature or type	Legal representative
Shanghai Tianyuan (Group) Co., Ltd.*	Pudong South Rd.	Trade & investment	Management unit for state-owned share	State-owned enterprise	Zhang Ruiyue

*Shanghai Huayi (Group) Company is an operation unit for authorization of state-owned share of the Company.

Registered capital: RMB 4,066,240,000 Business scope: Operating and managing on state-owned assets and industrial investment under authorization. Registration add.: 560 Xujiahui Rd., Shanghai. Legal representative: Zhang Peizhang. Shanghai Huayi (Group) Company controls the Company through Shanghai Tianyuan (Group) Co., Ltd. Shanghai Tianyuan (Group) Co., Ltd., a wholly-owned subsidiary of Shanghai Huayi (Group) Company, holds 611,510,647 state-owned shares of the Company, accounting for 52.51% of the total share capital of the Company.

B. Associative party controlled by the Company:

For details, see Note 11 (4).

(2) The registered capital of associative parties with control relations and the change (unit: RMB'0000)

<u>Enterprise name</u>	<u>Beginning balance</u>				<u>Closing balance of</u>
	<u>of the year</u>	<u>Increase</u>	<u>Decrease</u>		<u>the year</u>
Shanghai Tianyuan (Group) Co., Ltd.	74,912.73	---	---		74,912.73
Shanghai Chlor-Alkali Chemical Trade Co., Ltd.	10,000.00	---	---		10,000.00
Suzhou Gusu Economic Development General Company	1,000.00	---	---		1,000.00
Gusu Baji Bridge Parking Lot	74.30	---	---		74.30
Shanghai Tianyuan (Group) High Molecular Material Co., Ltd.	3,200.00	---	---		3,200.00
Shanghai Jinyuan Tap Water Co., Ltd.	900.00	---	---		900.00
Shanghai Da Kai Plastics Co., Ltd.	4,347.76	---	---		4,347.76
Shanghai Huahong Guanlang Co., Ltd.	4,000.00	---	---		4,000.00
Shanghai Xintianyuan Chemical Logistics Co., Ltd.	9,900.00	1,950.00	---		2,940.00
Shanghai New Tianyuan Chemical Transportation Co., Ltd.	---	108.00	---		108.00

(3) The registered capital of associative parties with control relations and the change (unit: RMB'0000)

<u>Enterprise name</u>	<u>Beginning balance of the</u>				<u>Closing balance of the</u>			
	<u>year</u>		<u>Increase</u>		<u>Decrease</u>		<u>year</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Shanghai Tianyuan (Group) Co., Ltd.	61,151.10	52.51	---	---	---	---	61,151.10	52.51
Shanghai Chlor-Alkali Chemical Trade Co., Ltd.	9,000.00	90.00	---	---	---	---	9,000.00	90.00
Suzhou Gusu Economic Development General Company	800.00	80.00	---	---	---	---	800.00	80.00
Gusu Baji Bridge Parking Lot	74.30	100.00	---	---	---	---	74.30	100.00
Shanghai Tianyuan (Group) High	3,200.00	85.00	---	---	---	---	3,200.00	85.00

Molecular Material Co., Ltd.									
Shanghai Jinyuan Tap Water Co., Ltd.	700.00	77.78	---	---	---	---	700.00	77.78	
Shanghai Da Kai Plastics Co., Ltd.	3,912.98	90.00	---	---	---	---	3,912.98	90.00	
Shanghai Huahong Guanlang Co., Ltd.	2,800.00	70.00	---	---	---	---	2,800.00	70.00	
Shanghai Rongda Storage & Transportation Company	50.00	100.00	---	---	---	---	50.00	100.00	
Shanghai Xintianyuan Chemical Logistics Co., Ltd.	490.00	49.50	1,950	33.49	---	---	2,440.00	82.99	

2) Associative parties with no control relations:

<u>Enterprise name</u>	<u>Relation with the Company</u>
Shanghai Baishigao Plastic Co., Ltd.	Controlled by a same parent company
Shanghai Luwei Plastics Co., Ltd. partnership enterprise	
Shanghai Chlor-Alkali Industry Company	Controlled by a same parent company
Yangpu Lexin Industry Co., Ltd.	Controlled by a same parent company
Shanghai Dye Co., Ltd.	Controlled by a same parent company
Shanghai Sanaifu New Material Co., Ltd.	Controlled by a same parent company
Pacific Biological High-tech Co., Ltd.	Controlled by a same parent company
Shanghai Tianyuan International Trade Co., Ltd.	Controlled by a same parent company
Shanghai Chlor-Alkali Creation Co., Ltd.	Controlled by a same parent company
Shanghai Tianyuan Group Shengde Plastic Co., Ltd.	
Beijing Yinzhao Information Technology Co., Ltd.	Controlled subsidiary
Shanghai Chlor-Alkali Chemical Real Estate Development Company	

Shanghai Tianyuan Material Circulation Co., Ltd.	Affiliated enterprise
Shanghai Tianyuan Transport Co., Ltd.	Affiliated enterprise
Shanghai Tiantai Addition Agent Co., Ltd.	Affiliated enterprise
Wu County Tianyuan Slaked Lime Plant	Affiliated enterprise
Shanghai Huasheng Chemical Co., Ltd.	Affiliated enterprise
Shanghai Engineering Chemistry Designing Institute	Affiliated enterprise
Shanghai Hensmai Polyurethane Co., Ltd.	Affiliated enterprise

3) Transactions of associative parties:

(1) For the subsidiaries with controlling relation and consolidated into the range of the accounting statements of the Company, the mutual transactions and the transactions between the parent company and the subsidiaries have already offset from each other.

(2) Transactions of associative parties with no control relations (unit: RMB'0000)

A. Purchase goods from associative party

<u>Name of associative party</u>	<u>Current year</u>	<u>Last year</u>
Shanghai Chlor-Alkali Creation Co., Ltd.	934.70	233.30
Shanghai Tianyuan International Trade Co., Ltd.	8,515.63	25,396.84

The price for purchase materials from associative parties is based on market price.

B. Sell goods to associative party:

<u>Name of associative party</u>	<u>Current year</u>	<u>Last year</u>
Shanghai Tianyuan (Group) Co., Ltd.	0.53	0.80
Shanghai Luwei Plastics Co., Ltd.	104.40	148.81
Shanghai Baishigao Plastic Co., Ltd.	28.76	182.00
Shanghai Tianyuan International Trade Co., Ltd.	11,461.53	1,627.10
Shanghai Chlor-Alkali Creation Co., Ltd.	2,926.72	5,808.77
Shanghai Xintianyuan Material	---	5.89

Circulation Co., Ltd.		
Shanghai Sanaifu New Material Co., Ltd.	1,248.36	2,020.32
Shanghai Tiantai Addition Agent Co., Ltd.	---	3,558.96

The price for sell goods to associative parties is based on market price.

C. Balance of receivables and payables of associative party (Unit: RMB'0000)

	<u>End of current period</u>	<u>End of last year</u>
Accounts receivable:		
Shanghai Tianyuan (Group) Co., Ltd.	368.92	368.30
Shanghai Luwei Plastics Co., Ltd.	643.81	593.60
Shanghai Baishigao Plastic Co., Ltd.	10.92	37.47
Shanghai Chlor-Alkali Creation Co., Ltd.	778.72	501.49
Shanghai Tianyuan International Trade Co., Ltd.	11,642.00	52.44
Shanghai Sanaifu Material Co., Ltd.	583.01	295.21
Notes receivable		
Shanghai Chlor-Alkali Creation Co., Ltd.	---	110.00
Accounts paid in advance:		
Shanghai Tianyuan International Trade Co., Ltd.	---	2,023.59
Other receivables:		
Shanghai Luwei Plastics Co., Ltd.	7.43	5.03
Shanghai Baishigao Plastic Co., Ltd.	1,352.05	1,346.62
Shanghai Chlor-Alkali Chemical Real Estate Development Company	1,545.86	1,519.20
Yangpu Lexin Industry Co., Ltd.	3,934.42	3,934.42
Shanghai Tianyuan (Group) Co., Ltd.	31,311.14	31,283.46
Pacific Biological High-tech Co., Ltd.	1,560.00	1,560.00
Shanghai Chemistry Designing Institute Co., Ltd.	239.63	164.14
Shanghai Tianyuan Transport Co., Ltd.	18.94	---
Other payables:		

Shanghai Chlor-Alkali Creation Co., Ltd.	84.94	63.62
Shanghai Chemistry Designing Institute Co., Ltd.	146.71	18.53

(3) Other associative party transactions:

A. Make guarantee for associative parties:

For details on providing guarantee for associative parties, see Note 8.

8. Contingent matters:

1) Pending action: The swindle case (one) pending action : chemical raw material exported at beginning of 2005 involved with the Company's controlled subsidiary Shanghai Chlor-Alkali Chemical Trade Co., Ltd., got new progress during the report period. The facts are as follows:

- (1) For the case on the disputes of sales contract with the value of RMB 5,880,000 suing Shanghai Zineng Enterprise Development Co., Ltd., the Shanghai No. 1 Intermediate People's Court opened the session on April 13, 2005. The defendant did not appear the court even after the legal summon by the court, and the court made a default inquisition at law. The Shanghai Chlor-Alkali Chemical Trade Co., Ltd. should refund the defendant RMB 1934165 due to other deals with the defendant and the defendant has already refunded Shanghai Chlor-Alkali Chemical Trade Co., Ltd. RMB 300,000, so Shanghai Chlor-Alkali Chemical Trade Co., Ltd. was willing to make deduction with the object of the action. The object of action has been changed into RMB 3,645,835. Through inquisition the court made judgment as follows: 1) The "Purchase Contract" signed between the complainant Shanghai Chlor-Alkali Chemical Trade Co., Ltd. and the defendant Shanghai Zineng Enterprise Development Co., Ltd. on November 30, 2004 should be released; 2) The defendant Shanghai Zineng Enterprise Development Co., Ltd. should refund Shanghai Chlor-Alkali Chemical Trade Co., Ltd. RMB 3,645,835 within 10 days since the effective date of the judgment. If not accepting the judgment, either party can submit a petition for appeal to Shanghai No. 1 Intermediate People's Court or to Shanghai Superior People's Court within 15 days since the date for receiving of the judgment. Now this case has been closed.
- (2) For the case on disputes for a sales contract in the value of RMB 13,000,000 for suing Shanghai Zineng Business Co., Ltd., Shanghai Zineng Enterprise Development Co., Ltd., Shanghai Zineng High-tech Co., Ltd., Shanghai Zineng Pharmacy Co., Ltd. and Liu Limei, Liu Hongbing, Liu Tao, Liu Weisong and Liu Xinhua, Shanghai No. 1

Intermediate People's Court held hearing on July 13, 2005. The defendants Shanghai Zineng High-tech Co., Ltd. and Shanghai Zineng Pharmacy Co., Ltd. attended the court. Because not all the defendants attended the court, the court could not investigate and ascertain some facts and did not make judgment at the date. This case is still in the progress of inquisition.

2) As of June 30, 2005, the contingent liability from the debt guarantee provided by the Company for associative parties and other units:

Unit: RMB'0000

<u>No.</u>	<u>Guaranteed unit</u>	<u>Purpose of guarantee, lending bank</u>	<u>Amount guaranteed</u>			<u>Due date of the debt</u>
			<u>Currency</u>	<u>Amount</u>	<u>Renminbi converted</u>	
		Acetic acid project, Industrial &				
1	Wujin Chemical Co., Ltd.	Commercial Bank Bund Branch	USD	324.34	2,684.44	2005.12
	Shanghai Carbonization	Threee supply project, Construction				
2	Co., Ltd.	Bank Shanghai Branch	Euro	1,473.01	15,228.42	2023.10
	Shanghai Carbonization	Decompond of fixed ammonia	Norwegian			
3	Co., Ltd.	project, Import Export Bank of China	Krone	273.48	337.31	2005.11.8
	Shanghai Hensmai					
4	Polyurethane Co., Ltd.	Project, bank consortium	USD	360.00	2,979.61	2015.11
	Shanghai Hensmai					
5	Polyurethane Co., Ltd.	Project, bank consortium	RMB	2,400.00	2,400.00	2015.11
	Shanghai Huahong	Project, Construction Bank No. 4				
6	Guanlang Co., Ltd.	Branch	RMB	4,200.00	4,200.00	2009.12
	Shanghai Lianheng					
	Isocyanic Acid Grease Co.,					
7	Ltd.	Project, bank consortium	RMB	5,820.00	5,820.00	2014.12
	Shanghai Lianheng					
	Isocyanic Acid Grease Co.,					
8	Ltd.	Project, bank consortium	USD	510.00	4,221.12	2014.12
	West Ningxia PVC Co.,					
9	Ltd.	Project, China Construction Bank	RMB	<u>10,200.00</u>	<u>10,200.00</u>	2011.01
	Shanghai Herklis Chemical	Liquid fund, Industrial & Commercial				
10	Co., Ltd.	Bank Bund Branch	RMB	<u>1,000.00</u>	<u>1,000.00</u>	2005.10

Total = 49,070.90

9. Committed matters:

- 1) For details of guarantee for outside entities, see Note 8.
- 2) The investment contracts signed but not performed or not full implemented yet and the related financial expenditures:
 - (1) Approved by the resolution of the provisional shareholders' meeting convened on Dec. 23, 2003, the Company should provide guarantee for the joint venture Shanghai Hensmai Polyurethane Co., Ltd.'s project loan of RMB 133,680,000 and US\$ 8,670,000 according to its contribution ratio. As of June 30, 2005, the Company had actually complemented amount of RMB 24,000,000 and US\$ 3,600,000. The meeting approved the Company, according to its contribution, to provide Shanghai Lianhen Isocyanic Acid Co., Ltd. with guarantee for project loan of RMB 163,400,000 and US\$ 13,155,000 and the liquid fund loan of RMB 5,685,000. As of June 30, 2005, it actually performed the amount of RMB 58,200,000 and US\$ 5,100,000.
 - (2) Approved by the Shanghai Foreign Economic & Trade Commission's [2003] No. 119 File, the Company, BASF Hensmai Shanghai Isocyanic Acid Co., Ltd., Shanghai Huayi (Group) Company and CPCC Shanghai Gaoqiao Petrochemical Company have made joint investment to establish Shanghai Lianheng Isocyanic Acid Grease Co., Ltd. with the registered capital of RMB 93,307.7, including the Company's contribution amount of RMB 139,962,000. As of June 30, 2005, the Company had totally contributed fund of RMB 90,975,000 for first, second, third and four terms. As per the regulations in the agreement and articles of association, the remained amount should be completed before June 13, 2006.
 - (3) Approved by the Shanghai Foreign Economic & Trade Commission's [2003] No. 120 File, the Company and Hensmai China Investment Co., Ltd. have made joint investment to establish Shanghai Hensmai Polyurethane Co., Ltd. with the registered capital of USD 5,937, including the Company's contribution amount of USD 17,811,000. As of June 30, 2005, the Company had totally contributed fund of RMB 9,582.08 for first, second, third and four terms. As per the regulations in the agreement and articles of association, the remained amount should be completed before June 11, 2006.
- 3) Other significant commitments in finance:

As of June 30, 2005 the mortgage of the Company's assets:

The Company's subsidiary Shanghai Jinyuan Tap Water Co., Ltd. makes its land use right and building construction as mortgage to get loan of RMB 1,300,000 from the Agricultural Bank of China Shanghai Jinshan Branch; the mature date of the loan is March 15, 2006.

10. Matters after the date of Balance Sheet:

As of the date of the report the Company has no matters after the date of Balance Sheet needing to be disclosed.

11. Other important matters:

As of the date of the report the Company has no other important matters needing to be disclosed.

12. Supplementary information

Non recurrent profit and loss in this year listed as follows
(Unit: RMB):

Item	Amount
1. Profit and loss from disposal of long-term equity investment, fixed assets, construction in progress, intangible assets and other long-term assets	-7,238
2. Tax return and exemption approved by override authority or with no official approval file	---
3. Various kinds of government subsidy	---
4. Earnings from short-term investments	---
5. Other non-operating revenue and expenditure after appropriated provisions for depreciation of assets according to regulations of the enterprise accounting system	2,311.96
6. Return of the various provisions for depreciation appropriated during previous years	---
Total	<u>-4,926.43</u>

Note: The above listed amounts have excluded the impact from the minority shareholders' shares and income tax.

8. Documents for Reference

- 1) Interim report with the autographical signature of the Chairman of the Company;
- 2) Accounting statements signed and stamped by the legal representative, principal in charge for accounting work, and principal of accounting department ;
- 3) All the former version of the files and originals of the announcements disclosed in the newspapers appointed by the China Securities Regulatory Committee during the report period;
- 4) Articles of Association of Shanghai Chlor-Alkali Co., Ltd..

The Company shall furnish the above documents for reference in time when the China Securities Regulatory Committee and the stock exchange request to provide them and the shareholders request to consult according to the requirements of the statute or the Articles of Association.

Chairman of the Board: Wang Qiang
Shanghai Chlor-Alkali Chemical Co., Ltd.

August 27, 2005