Shenzhen Tellus Holding Co., Ltd.
Third Quarterly Report 2002

Important: Board of Directors of Shenzhen Tellus Holding Co., Ltd. (hereinafter referred to as the Company) individually and collectively accept responsibility for the correctness, accuracy and completeness of the contents of this report and confirm that there are no material omissions nor errors which would render any statement misleading. The third quarterly financial report of the Company has not been audited.

I. Company Profile

1. Stock Exchange Listed with: Shenzhen Stock Exchange
   Short Form of the Stock: ST Tellus-A, ST Tellus-B
   Stock Code: 000025, 200025
2. Secretary of the Board of Directors: Li Chunxiu
   Liaison Address: Secretariat of the Board of Directors of Shenzhen Tellus Holding Co., Ltd.
   Tel: (86) 755-25536888 ext. 360
   Fax: (86) 755-25536658
   E-mail: lcs3333@163.net
   Authorized Representative in Charge of Securities Affairs: Li Mingjun
   Liaison Address: Plan and Financial Dept. of Shenzhen Tellus Holding Co., Ltd.
   Tel: (86) 755-25536888 ext. 351
   Fax: (86) 755-25536658
   E-mail: szlmj@163.net
3. Major Financial Data and Indexes (Un-audited)

(1) As reported under International Accounting Standards

Unit: In RMB

Item	Jan. – Sep. 2002	Jan. – Sep. 2001
Turnover	1,127,110	341,450
Profit after taxation	-12,870	-6,160
Total shareholders' fund	244,409	231,922
Earnings per share (RMB)	-0.058	-0.03
Net assets per share (RMB)	1.11	1.05
Return on equity (%)	-5.26	-1.91
Shareholders' equity ratio (%)	16.36	18.12

(2) As reported under Chinese Accounting Standards

Unit: In RMB

Item	Jan. – Sep. 2002	Jan. – Sep. 2001
Turnover	1,127,110	341,450
Profit after taxation	-12,870	-6,160
Total shareholders' fund	255,940	322,790
Earnings per share (RMB)	-0.058	-0.03
Net assets per share (RMB)	1.16	1.47
Return on equity (%)	-5.03	-1.91
Shareholders' equity ratio (%)	17.13	25.22

II. Changes in Share Capital and Particulars about Shares Held by Main

Shareholders

1. Both the Company's total share capital and its structure remained unchanged in the report period.

2. Ended Sep. 30, 2002, the Company had 16256 shareholders in total.

3. Ended Sep. 30, 2002, particulars about shares held by the top ten shareholders:

No.	Shareholder's name	Change in the report period (+,-)	Number of holding shares (Share)	Type	Pledge or freeze	Proportion in total shares (%)
1	Shenzhen Special Economic Zone Development (Group) Company		159588000	State-owned shareholder	No	72.45%
2	Shandong Kangtong electrical equipment Co., Ltd.		1108360	Domestic shareholder	No	0.5%
3	WEN CAN RONG		602015	Foreign shareholder	No	0.27%
4	Changjiang Securities Co., Ltd.		517068	Domestic shareholder	No	0.23%
5	ZHAI GUO QIANG		492475	Domestic shareholder	No	0.22%
6	WEN HAI GEN		474376	Foreign shareholder	No	0.215%
7	Great Wall Securities Co., Ltd.		390000	Domestic shareholder	No	0.177%
8	CHEN JIAN		255600	Foreign shareholder	No	0.12%
9	WAN SHI GUI		254000	Foreign shareholder	No	0.115%
10	CHOU TAI PING		236900	Foreign shareholder	No	0.11%

4. In the report period, the holding shareholder of the Company remained unchanged.

III. Operation Review and Analysis

1. Business review in the report period

In the report period, the Company's main business lines include automobile aftermarket and property leasing and administration, with the main business activities as automobile trading, maintenance, inspection and testing as well as property management and letting. The Company achieved a stable income from main business lines, and realized revenue RMB 449.43 million from the main business lines in the report period.

In the same period of previous year, since the Company was undergoing the assets reorganization, while in this report period, the Company had completed the assets reorganization, and there were great changes in the main business lines compared with the same period of previous year, so there were the incomparable factors between the two.

2. The Company made no new investment project in the report period.

3. Achievement of operations and financial highlights

Unit: In RMB'000

Item	Jan. to sep. 2002	Jan. to Sep. 2001	Increase/decrease (+/-)
Income from main business lines	112,711	34,145	78,566
Profit from main business lines	8,769	3,268	5,500
Net profit	-1,287	-616	-671
Net increase of cash and cash equivalents	13,160	4,805	8,355
Total assets	149,397	127,978	21,419
Shareholder's equity	25,594	32,279	6,685

IV. Financial Statement (Un-audited)

1. Accounting statement

Brief Consolidated Balance Sheet

Company: Shenzhen Tellus Holding Co., Ltd. Unit: In RMB'000

Items	Dec. 31, 2001	Sep. 30, 2002	Items	Dec. 31, 2001	Sep. 30, 2002
Current assets	74,488	87,241	Current liabilities	105,701	118,899
Long-term investment	14,740	15,149	Long-term liabilities	876	1105
Fixed assets, net	46,263	45,344			
Construction in progress	0	20	Minority interest	2,379	2,545
Intangible assets and other assets	1,352	1,645	Shareholders' equity	26,633	25,594
Total assets	136,843	149,397	Total liabilities and shareholders' equity	136,843	149,397

Brief Consolidated Statement of Profit

Company: Shenzhen Tellus Holding Co., Ltd. Unit: In RMB'000

Items	Jul. to Sep. 2002	Jan. to Sep. 2002
Income from main business lines	44,943	112,711
Profit from main business lines	3,491	8,769
Profit from other business lines	56	127
Expenses in the period report	3,596	10,176
Investment income	-27	248
Net income/expenditure from non-operating	-56	-24
Income taxes	33	77
Net profit	-260	-1,287

2. Note to financial statement

(1) Comparing with the previous periodic report, there were no changes in the accounting policies, accounting estimates or consolidation scope of financial statement of the Company in the report period.

(2) Comparing with the annual financial report, there were no material difference in the accounting policies () adopted in preparing this quarterly financial report.

(3) In the report period, there is no unconsolidated subsidiary company, which needs to be brought into the consolidation scope of financial statement of the Company.

V. Documents for Reference

1. Original of the Third Quarterly Report 2002 carried with the personal signatures of Chairman of the Board;

2. Statement of Profit and Balance Sheet carried with the personal signatures and seals of legal representative, person in charge of the financial affairs and person in charge of handling accounting affairs.

Board of Directors of
Shenzhen Tellus Holding Co., Ltd.
Oct. 25, 2002