Tianjin Capital Environmental Protection Company Limited
天津創業環保股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

ANNOUNCEMENT FOR THE RESOLUTIONS OF THE THIRD MEETING OF THE THIRD BOARD

The Company and the Directors of the Company confirmed that the information in this announcement does not contain any false information, misleading statements or material omissions, and accept joint and several responsibility for the truthfulness, accuracy and completeness of the content.

The third Meeting of the Third Board of Tianjin Capital Environmental Protection Company Limited (hereinafter referred to as the "Company") was held on 12th February 2004 at 10:30a.m. at the Conference Room, Room 2201 to 2203, 22nd Floor, World Wide House, 19 Des Voeux Road Central, Hong Kong. The meeting was chaired by Madam Ma Baiyu, the Chairman of the Company. There should be 9 directors present and 9 directors were present. Certain members of the Supervisory Committee and the senior management of the Company and the PRC and international auditors have attended that meeting. The proceeding for convening this Meeting has complied with the relevant provisions of the Company Law of the People's Republic of China and the Articles of Association of the Company. All directors attending the meeting approved the following resolutions:

1. The Annual Report 2003 and the summary of the report to be announced within the PRC and overseas were considered and approved;

2. To review the Auditors' Reports and to consider and approve the financial statements for 2003 of the Company, as respectively audited by domestic and international certified public accountants

3. The working report of the board of directors of the Company (the "Board") for 2003 was considered and approved;

4. The Final Financial Report 2003 and the Financial Budget of the Company 2004 were considered and approved;

5. The proposal in respect of the Profit Appropriation Plan of the Company for 2003 was considered and approved;

   As audited by PricewaterhouseCoopers Zhong Tian Certified Public Accountants Co., Ltd., the PRC and PricewaterhouseCoopers, Certified Public Accountants, Hong Kong respectively, the consolidated net profit of the Company amounted to Rmb 276,892,000 in 2003. Taking into account of transferring 10% thereof to the statutory common reserve Rmb 27,689,200 and 5% thereof to the statutory provident fund Rmb 13,845,000 in accordance with the relevant requirements of Company Law of the PRC and the Articles of Association of the Company as well as the retained profit Rmb 371,500,000 at the beginning of the year and the distribution in 2003 of cash dividend Rmb

113,050,000 for 2002, the actual profit distributable to shareholders amounted to Rmb 493,808,000 for the year. Based on the total capital of 1,330,000,000 Shares as at 2003, it is intended to make a payment of Rmb 0.80 (including tax) in cash per ten shares. The allocation proposal shall be submitted to the general meeting for approval.

No transfer from the capital reserve fund to share capital was made for 2003.

6. The proposals for re-appointing PricewaterhouseCoopers Zhong Tian CPAs Co., Ltd. and PricewaterhouseCoopers Hong Kong as the domestic and international certified public accountants of the Company by the Audit Committee were considered and approved;

7. The operating and development plans of the Company for 2004 were considered and approved;

8. The proposal on the streamline of the operation department was considered and approved;

9. The proposal on the extension of the validity period for the issue of A Shares Convertible Bonds of the Company was considered and approved;

   Each term pursuant to the proposal on the issue of A Shares Convertible Bonds of the Company was considered and approved in the 2002 Annual General Meeting (the 11th Shareholders' General Meeting of the Company) held on 16th April 2002. The resolutions passed in that Shareholders' General Meeting has been effective for one year from the date of approval of the Shareholders' General Meeting (between 16th April 2002 and 15th April 2003).

   The announcements of the resolutions passed at the Annual General Meeting were published on Shanghai Securities, Hong Kong Wen Wei Po and The Standard on 17th April 2002.

   On 20th February 2003, the proposal relating to the extension of the maturity period for the issue of the A Shares Convertible Bonds of the Company was considered and approved in the 29th meeting of the Second Board of Directors. The proposal was in respect of the extension of the maturity period for the issue of the A Shares Convertible Bonds of the Company for one more year. The maturity period was extended for one more year from the original maturity date of 16th April 2003 to 15th April 2004.

   The announcement for the resolutions of the meeting of the Second Board of Directors was published on Shanghai Securities, Hong Kong Wen Wei Po and The Standard on 21st February 2002.

10. The proposal on the grant of mandate to the Board for allotment and issue of new shares (H Shares) and reduction of the holding of State-owned shares was considered and approved;

11. The proposals on convening the Annual General Meeting 2003 (the 12th Shareholders' general meeting of the Company) and the Notice for AGM were considered and approved;

12. The proposal on change of the Company's registered address was considered and approved.

    The office building purchased by the Company will commence operation in the first half of 2004. The present registered address of the Company of the rented premise from the controlling shareholder was No. 15 Guizhou Road, Heping District, Tianjin. After the relocation of the Company's office, the registered address of the Company will be No. 76 Jinnan Road, Nan Kai District, Tianjin.

(Resolutions Nos. 1, 2, 3, 4, 5, 6, 7, 9, 10 and 12 shall be presented to the 12th Shareholders' general meeting of the Company for approval.)

Board of Directors
Tianjin Capital Environmental Protection Company Limited

Tianjin, the PRC
12th February 2004

Please also refer to the published version of this announcement in The Standard.