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JILIN CHEMICAL INDUSTRIAL COMPANY LIMITED
吉林化學工業股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 0368)

ANNOUNCEMENT

The Board of Directors of Jilin Chemical Industrial Company Limited (the "Company") wishes to announce that its net profit for the nine months ended 30 September 2004 is expected to increase by 400% to 450% as compared with the corresponding period of last year.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is published in the People's Republic of China ("PRC") in accordance with the relevant regulations issued by the Shenzhen Stock Exchange and in the Hong Kong Special Administrative Region of the PRC pursuant to the disclosure obligations under Rule 13.09 and pursuant to Rule 13.10 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company notes the recent increases in the trading volume of the shares of the Company, and apart from the disclosure below, are not aware of any matters that have or might have relevance to such increases.

The Company disclosed in its interim report for the six months ended 30 June 2004 that its net profit for the period from January to September 2004 was estimated to increase by 200% – 250% as compared with the corresponding period of last year. However, due to the recent increases in international crude oil prices which have resulted in corresponding increases in the price and sales volume of petrochemical products and synthetic rubber products, the net profit of the Company as shown in its financial statement for the period ended 30 September 2004 exceeded the above forecast. Based on the preliminary financial figures of the Company, the net profit of the Company for the nine months ended 30 September 2004 is expected to increase by 400% to 450% as compared with the corresponding period last year (earnings per share was RMB0.10). The results of the Company for the nine months ended 30 September 2004 will be disclosed in the third quarterly report of the Company to be published on 27 October 2004.

Pending the finalisation and publication of the Company's results for the nine months ended 30 September 2004, shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

For the purpose of the information disclosed above, and in accordance with the requirements of the Shenzhen Stock Exchange, trading in the Company's A shares will be suspended on the Shenzhen Stock Exchange in the first hour of the morning session on 13 October 2004, however, trading in the H shares of the Company will continue on the Stock Exchange.

We also confirm that there are no negotiation or agreements relating to intended acquisitions or realizations which are discloseable under Rule 13.23, neither is the Board aware of any matter discloseable under the general obligation imposed by rule 13.09, which is or may be of a price-sensitive nature.

Made by the order of the Board of the Company, the directors of which individually and jointly accept responsibility for the accuracy of this statement.

As of the date hereof, the Board of Directors of the Company comprises of:

Executive Directors: Yu Li, Shi Jianxun, Zhang Xingfu

Non-executive Directors: Xu Fengli, Ni Muhua, Jiang Jixiang, Lan Yusheng

Independent

Non-executive Directors: Lu Yanfeng, Wang Peirong, Fanny Li, Zhou Henglong

By order of the Board
Jilin Chemical Industrial Company Limited
Zhang Liyan
Company Secretary

12 October 2004, Jilin

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