

Financial Highlights

1. RESULTS

For the period from 1st January to 31st December 2000 ("the Year"), the Company and its subsidiaries ("the Group") recorded revenue from principal activities of RMB612,640,000 and profit after taxation and minority interests of RMB287,900,000, representing approximately an increase of 41.69% and 29.66% respectively when compared with the pro forma results for the corresponding period in 1999. The Group mainly attributes the improvement in the results to the successful acquisitions of No. 8 Water Plant and Shifosi Water Source project (Phase I), during the Year. As a result, the water production and sales volume of Shenyang Water increased drastically during the Year and income increased accordingly.

2. SUMMARY OF CONSOLIDATED PROFIT AND LOSS ACCOUNT

The financial highlights for the five years ended 31st December 2000 are set out as follows:

	<i>RMB'000</i>				
	2000	1999	Pro forma (note)		
			1998	1997	1996
Turnover	612,640	432,368	416,079	411,507	380,347
Other revenues	82,137	53,670	40,367	41,035	38,444
Total revenues	694,777	486,038	456,446	452,542	418,791
Profit from operations	390,084	270,032	260,977	264,961	248,161
Financial costs	(10,770)	(61)	-	-	-
Share of profit of a joint venture	21,444	38,419	41,747	41,609	42,199
Profit before taxation	400,758	308,390	302,724	306,570	290,360
Taxation	(111,238)	(84,349)	(76,225)	(77,239)	(72,863)
Profit after taxation	289,520	224,041	226,499	229,331	217,497
Minority interests	(1,620)	(1,994)	(1,880)	(1,909)	(1,788)
Net profit	287,900	222,047	224,619	227,422	215,709
Earnings per share	RMB0.28	RMB0.36	RMB0.37	RMB0.38	RMB0.36

Note: Pro forma results are prepared on the basis of note 2 as stated in the accounts, and are for comparison purposes only, and should not be regarded as the actual historical results of the Group.

3. SUMMARY OF CONSOLIDATED BALANCE SHEET

	RMB'000	
	As at 31st December 2000	As at 31st December 1999
Fixed assets	751,252	561,173
Deposits for purchase of fixed assets	-	55,000
Construction-in-progress	11,174	-
Interest in a joint venture	165,462	169,366
Investment securities	20,000	-
Current assets	1,187,253	838,596
Current liabilities	(499,869)	(159,898)
Net current assets	687,384	678,698
Financed by:		
Share capital	1,020,400	1,020,400
Reserves	607,368	437,696
Minority interests	7,504	6,141
	1,635,272	1,464,237

Note: No consolidated balance sheet was prepared for the years prior to 1999 as the Company was established on 2nd July 1999.