

Accounting Figures and Financial Highlights

A. PREPARED IN ACCORDANCE WITH PRC ACCOUNTING STANDARDS

1. Realised profits of the Company during the year

	<i>RMB'000</i>
(1) Total profit	138,117
(2) Net profit	132,823
(3) Net profit after deduction of non-operational loss	108,594
(4) Profit from principal operations	102,211
(5) Profit from other operations	5,762
(6) Operating profit	(109,313)
(7) Investment income	241,290
(8) Subsidy income	256
(9) Net non-operating income (expenses)	5,884
(10) Net cash inflow from operations	(173,562)
(11) Net increase from cash and cash equivalents	(79,819)

Notes: The deduction from the amount of item "Net profit after deduction of non-operational loss" are subsidy income of RMB256,000, non-operating income (expenses) of RMB5,884,000 and gain on disposal of long-term equity of RMB18,089,000.

2. Principal accounting and financial data of the Company in the past three years

	RMB		
Items	2000 年	1999 年	1998 年
(1) Income from principal activities ('000)	1,224,434	1,430,391	1,668,923
(2) Net profit ('000)	132,823	54,246	(495,328)
(3) Total assets ('000)	2,456,215	2,873,945	3,388,937
(4) Shareholders' funds ('000) (excluding minority interests)	796,166	663,319	609,072
(5) Earnings per share	0.20	0.08	(0.76)
(6) Earnings per share (weighted average)	0.20	0.08	(0.76)
(7) Net assets per share	1.22	1.01	0.93
(8) Adjusted net assets per share	1.14	0.91	0.68
Net cash liquidity produced by			
(9) operational activities per share	(0.26)	0.41	(0.23)
(10) Return on net assets (%)	16.68	8.18	(81.32)

Note: i) The Company's total share capital remained unchanged during the year

ii) Basis of calculation for major financial indices.

Earnings per share = Net profit / Total number of ordinary shares at year end

Net assets per share = Shareholders' funds at year end / Total number of ordinary shares at year end

Return on net assets = Net profit / Shareholders' funds at year end x 100%

Adjusted net assets per share = (Shareholders' funds at year end - net account receivable due over 3 years - deferred expenses - net loss of (current and fixed) assets pending disposal - preliminary expenses - long-term deferred expenses-negative balance of house revolving fund) / Total number of ordinary shares at year end

Net cash liquidity produced by operational activities per share = Net cash liquidity produced by operational activities / Total number of ordinary shares at year end

iii) the principal accounting data and financial index for 1998 are compared with that for 1999 for any adjustment.

3. Appendix to profit (loss) statement

	Return on net assets(%)		Earnings per share (RMB)	
	Totally diluted	Weighted average	Totally diluted	Weighted average
Profit during the period				
Profit from principal operations	12.84	14.01	0.16	0.16
\Operating profit	(13.73)	(14.98)	(0.17)	(0.17)
Net profit	16.68	18.20	0.20	0.20
Net profit after deduction of non-operational loss	13.64	14.88	0.17	0.17

The formulas are as follows:

Totally diluted return on net assets = profit for the period / Net assets at the end of the period

Totally diluted earnings per share = profit for the period total number of shares at the end of the period

Weighted average return on net assets (ROE)

Weighted average earnings per share (EPS)

$$= P/S_0 + S_1 + S_i * - M_i * " M_0 - S_j * - M_j * " M_0$$

Of which, P represents profit for the reporting period; S₀ represents total number of shares at the beginning of the period; S₁ represents increased number of shares owing to surplus reserve converting to share capital or dividend distribution; S_i represents increased number of shares owing to issue of new shares or debentures converting to shares during the period; S_j represents decreased number of months during the period; M_i represents the number of months from the next month of increased shares to the end of the reporting period; M_j represents the number of months from the next month of decreased shares to the end of the reporting period.

4. Change in shareholders' funds during the reporting period

	RMB'000					
	Share capital	Capital reserve	Surplus reserve	Statutory: Public Welfare	Total Profit before appropriation	shareholders' funds
Beginning of the year	655,015	478,421	188,137	38,426	(658,254)	663,319
Add	0	23	0	0	132,823	132,846
Less	0	0	0	0	0	0
End of the year	655,015	478,444	188,137	38,426	(525,431)	796,166

Reasons for the change:

During the reporting period, change in profit distribution is attributable to the realisation of net profit of RMB132,823,000 for the year.

B. PREPARED IN ACCORDANCE WITH HONG KONG GENERALLY ACCEPTED ACCOUNTING PRINCIPLES

The following is a summary of the consolidated results of the Group for each of the five years ended 31st December, 2000 and the combined results of the Group for the year ended 31st December, 2000 prepared on the basis that the Group's structure had been in existence from the year ended 31st December, 1996.

C. Differences between the financial statements prepared in accordance with the accounting principles generally accepted in Hong Kong and the accounting standards of the People's Republic of China as applicable to the Group are set out in note 33 to the financial statements prepared in accordance with the accounting principles generally accepted in Hong Kong.

	2000	1999	1998	1997	RMB'000 1996
Turnover	1,223,586	1,420,417	1,668,049	2,535,922	3,442,316
Operating (loss) profit excluding extraordinary items	(27,861)	(196,601)	(516,356)	(344,503)	186,880
Share of results of associated companies	238,266	203,408	26,666	16,053	10,430
Profit (loss) before taxation	210,405	6,807	(489,690)	(328,450)	197,310
Tax	(26,251)	(18,630)	(4,688)	(3,242)	(31,516)
(Loss) profit after taxation	184,154	(11,823)	(494,378)	(331,692)	165,794
Minority interests	(5,694)	22,258	(2,247)	(4,292)	(850)
Profit (loss) attributable to shareholders	178,460	10,435	(496,625)	(335,984)	164,944
Dividends	—	—	—	—	69,500

	2000	1999	1998	1997	RMB'000 1996
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Total assets	2,373,050	2,747,453	3,337,050	3,723,874	3,718,468
Total liabilities	1,654,567	2,206,358	2,805,583	2,695,847	2,360,025
Total net assets	718,483	541,095	531,467	1,028,027	1,358,443