

Supplementary Financial Information

Consolidated Balance Sheets

	As at December 31,			
	1997 RMB'000	1998 RMB'000	1999 RMB'000	2000 RMB'0000
ASSETS				
Property, plant and equipment, net	283,521	280,780	326,921	281,944
Investments in associated companies	-	-	3,132	6,424
	283,521	280,780	330,053	288,368
Current assets				
Cash and cash equivalents	409,502	505,943	163,037	584,729
Short-term bank deposit	-	11,519	16,984	27,406
Accounts receivable, net	32,090	36,036	50,599	56,284
Inventories	18,553	18,455	15,150	9,680
Prepayments and other current assets	15,745	8,420	18,741	31,362
Due from related parties	224,039	258,840	259,968	229,845
	699,929	839,213	524,479	939,306
Total assets	983,450	1,119,993	854,532	1,227,674
EQUITY AND LIABILITIES				
Capital and Reserves				
Paid in capital	260,133	260,133	260,133	577,304
Capital surplus	155,445	156,138	155,934	167,506
Statutory reserves	109,768	137,574	175,854	25,202
Accumulated deficit	(103,171)	(63,307)	(21,756)	-
	422,175	490,538	570,165	770,012
Minority interests	12,652	20,682	21,168	32,735
Long term bank loan	411,800	439,800	-	-
Current liabilities				
Current portion of long-term bank loan	-	-	800	-
Accounts payable and accrued liabilities	64,529	71,394	57,002	65,158
Deferred revenue	6,993	2,325	788	8,380
Due to related parties	21,435	23,425	36,366	6,682
Dividends payable	-	-	-	124,051
Taxes payable	43,866	71,829	168,243	220,656

	136,823	168,973	263,199	424,927
Total equity and liabilities	983,450	1,119,993	854,532	1,227,674

Consolidated Statements of Income

	As at December 31,			
	1997	1998	1999	2000
	RMB'000	RMB'000	RMB'000	RMB'0000
Revenues:				
Electronic travel distribution	343,190	302,846	358,793	439,119
Airport passenger processing	54,150	71,325	98,220	155,546
Data communication services	72,952	87,088	99,879	108,960
Equipment sales and other	39,343	25,878	46,762	38,362
Total revenues	509,635	487,137	603,654	741,987
Business taxes and other surcharges	(16,081)	(15,832)	(19,344)	(24,735)
Net revenues	493,554	471,305	584,310	717,252
Operating expenses:				
Depreciation	(78,457)	(92,964)	(88,218)	(104,857)
Network usage	(25,279)	(30,940)	(34,803)	(54,772)
Personnel	(35,837)	(27,184)	(33,787)	(39,656)
Operating lease rentals	(31,178)	(12,870)	(18,670)	(31,516)
Technical support services	(19,478)	(14,122)	(5,665)	(15,885)
Cost of equipment sold	(8,256)	(6,379)	(12,738)	(9,131)
Repairs and maintenance	(18,166)	(15,870)	(15,860)	(26,410)
Commission and promotion expenses	(3,183)	(7,752)	(18,002)	(26,933)
Other operating expenses	(31,669)	(26,258)	(41,248)	(60,676)
Total operating expenses	(251,503)	(234,339)	(268,991)	(369,836)
Operating profit	242,051	236,966	315,319	347,416
Financial income (charges), net	(17,212)	(17,883)	(960)	4,921
Share of results from associated companies	-	-	392	3,446
Other (expenses) income, net	953	(7,627)	209	(2,729)
Profit before taxation	225,792	211,456	314,960	353,054
Taxation	(73,987)	(68,753)	(103,742)	(94,166)
Income before minority interests	151,805	142,703	211,218	258,888
Minority interests	(3,103)	(5,317)	(3,180)	(2,296)

Net profit	148,702	137,386	208,038	256,592
Earnings per share, basic and diluted (RMB)	0.26	0.24	0.36	0.44
Number of shares outstanding (million)	577	577	577	577

Note 1. The above supplementary financial information is derived from the combined financial information of the Company and its subsidiaries (collectively the "Group") in the accountants' report included in the prospectus dated January 29, 2001 issued by the Company, as well as the audited financial statements included in this annual report. The supplementary financial information presents the financial position and operating results of the Group as if the Group had been in existence throughout the years presented, and has been prepared in accordance with International Accounting Standards.

Note 2. Earnings per share for each of the years presented is calculated on the basis of 577 million shares outstanding as at December 31, 2000 without adjusting for the pro forma changes in the number of new shares that might have resulted from additional contributions from Civil Aviation Computer Information Center over the years presented.