

FINANCIAL HIGHLIGHTS

(1) According to International Accounting Standards

(RMB'000)	2000 (Note 1)	1999	1998
For the year ended 31st December:			
Revenue, net (Note 2)	1,542,952	1,233,924	1,052,975
Profit before taxation and minority interests	824,518	716,468	633,825
Profit after taxation and minority interests	688,306	630,683	566,363
Profit attributable to shareholders (Note 3)	688,306	605,214	533,211
Earnings per share (Note 4)	RMB 0.141	RMB 0.129	RMB 0.116
As at 31st December:			
Shareholders' equity (Note 5)	12,459,642	11,547,858	11,078,972
Total liabilities (Note 5)	940,466	1,296,469	1,318,721
Total assets	13,400,108	12,844,327	12,397,693

Notes:

- Guangjing Expressway and Xicheng Expressway commenced its operation on 28th September 1999. The Group's Consolidated Financial Report of 2000 includes the assets, liabilities and operating results of the Shanghai-Nanjing Expressway, Nanjing-Shanghai Class 2 Highway, Nanjing Section of Nanjing-Lianyungang Expressway, Xicheng Expressway and Guangjing Expressway.
- Net revenue mainly represents toll revenue from the operation of toll roads, net of tax. It also includes other incomes such as sales of petrol, emergency assistance, catering, advertisement and maintenance service.
- In accordance with the articles of association of the Company, the Company distributes dividends based on the lesser of the undistributed profit on the statutory accounts prepared in accordance with the PRC accounting standards and that reported in the financial statements prepared under International Accounting Standards ("IAS"). The profit available for distribution to shareholders as of 31st December 2000 amounted to approximately RMB 688,306,000.
- The calculation of basic earnings per share is based on the net profit for the period attributable to shareholders of RMB 688,306,000 (1999: RMB630,683,000) divided by the weighted average number of shares outstanding during the year of 4,891,436,025 shares (1999: 4,887,747,500 shares).
- To conform to the treatment in IAS 10 "Events After the Balance Sheet Date", the Company now discloses the dividends declared after the balance sheet date as subsequent events. Therefore, no adjustment was made for total liabilities and equity interest for the year of 1999.

(2) According to PRC Accounting Standards

According to the PRC Accounting Standards, the financial highlights of the Group for the years ended 31st December are as follow:

(RMB'000)	2000	1999	1998
Profit before minority interest and tax	828,265	688,356	608,381
Net profit	691,487	604,868	542,775
Profit from principal activities	881,805	754,792	637,863
Profit from other activities	25,763	17,227	14,300
Operating profit	791,170	668,480	605,018
Investment income	34,182	18,221	7,351
Subsidy income	—	—	—
Non-operating gain or expenses, net	2,913	1,655	565
Net cash flow from operating activities	1,004,883	886,982	815,282
Increase (decrease) in cash and cash equivalents	22,232	(265,012)	(803,327)

Note: There was no ordinary gains or losses in this year.

The year 2000 financial report of the Company was audited by Arthur Andersen • Hua-Qiang Certified Public Accountants whose report expressed an unqualified opinion on the financial statements.

(3) The differences between the PRC Accounting Standards and the IAS

The Group has prepared a separate set of statutory accounts in accordance with PRC laws and financial regulations (" PRC GAAP"). Difference between PRC GAAP and IAS resulted in differences in the reported financial statements of the Group which are summarised and explained as follows:

(RMB'000)

	consolidated profit after tax and minority interest		shareholders' equity	
	2000	1999	31 December 2000	31 December 1999
As originally reported in statutory accounts	691,317	605,214	13,343,475	12,491,005
Effect of change in accounting policy in statutory accounts	170	(346)	(433)	(603)
As restated in statutory accounts	691,487	604,868	13,343,042	12,490,452
IAS adjustments:				
- Reversal of impact of change in accounting policy under statutory accounts	(603)	346	—	603
- valuation, depreciation and amortisation of property, plant and equipment	26,570	25,371	(1,648,882)	(1,675,452)
- loss on disposal of staff quarters	(31,866)	—	(31,886)	—
-deferred taxation	2,718	98	—	(2,718)
-dividends proposed in subsequent period	—	—	453,397	391,020
As reported in IAS accounts	688,306	630,683	12,115,691	11,203,905

(4) Significant accounting data and financial indicators of the past three years

According to the PRC Accounting Standards:
(RMB'000)

	2000	1999	1998
Income from principal activities	1,381,696	1,138,385	1,013,037
Net profit	691,487	604,868	542,775
Total asset	15,057,227	14,519,176	14,098,259
Shareholders' equity	13,343,042	12,490,452	12,276,604
Fully diluted earnings per share	RMB 0.137	RMB 0.124	RMB 0.111
Weight average earnings per share	RMB 0.142	RMB 0.124	RMB 0.111
After extraordinary gains or losses			
Earnings per share:			
Fully diluted	RMB 0.137	RMB 0.124	RMB 0.111
Weight average	RMB 0.142	RMB 0.124	RMB 0.111
Net asset per share	RMB 2.65	RMB 2.56	RMB 2.51
Adjusted net asset per share	RMB 2.65	RMB 2.56	RMB 2.51
Net cash flow per share			
from operating activities	RMB 0.20	RMB 0.18	RMB 0.17
Rate of return on net assets:			
Fully diluted(%)	5.18	4.84	4.42
Weight average(%)	5.39	4.81	4.41

(5) Significant financial indicators of the Group for the past two years

(According to the PRC Accounting Standards)

	Rate of return on net assets(%)				earnings per share (RMB/share)			
	Fully diluted		weight average		Fully diluted		weight average	
	2000	1999	2000	1999	2000	1999	2000	1999
Profit from								
Principal activities	6.61	6.06	6.87	6.02	0.175	0.155	0.180	0.155
Operating profit	5.93	5.37	6.16	5.33	0.157	0.137	0.162	0.137
Net profit	5.18	4.84	5.39	4.81	0.137	0.124	0.142	0.124
Net profit after extraordinary gains or losses	5.16	4.85	5.36	4.81	0.137	0.124	0.141	0.124