

FINANCIAL HIGHLIGHTS

(prepared in accordance with International Accounting Standards)

Expressed in RMB millions	1996*	1997*	1998*	1999*	2000
Year Ended 31 December					
Turnover	7,286	8,574	8,172	10,163	11,220
Operating expenses	(5,768)	(7,079)	(7,970)	(9,241)	(10,442)
Operating profit	1,518	1,495	202	922	778
Interest expenses, net	(884)	(784)	(853)	(966)	(815)
Other income, net	286	295	69	172	341
Profit/(Loss) before taxation	920	1,006	(582)	128	304
Profit/(Loss) attributable to shareholders	614	668	(454)	84	176
Earnings/(Loss) per share (RMB)**	0.21	0.15	(0.09)	0.02	0.04
At 31 December					
Cash and cash equivalents	1,090	1,560	1,793	1,315	1,423
Working (deficiency)/capital	(849)	320	(401)	(657)	(858)
Fixed assets	15,482	17,847	18,882	19,230	20,802
Total assets	22,653	26,734	27,898	28,261	29,027
Long-term loans, including current portion	5,209	3,891	4,957	4,706	4,804
Finance lease obligations, including current portion	10,522	12,379	11,701	11,557	11,308
Total capital and reserves	3,842	7,383	6,929	7,013	7,189

* The figures for the years ended 31 December 1996, 1997, 1998 and 1999 have been restated as a result of the change of the accounting policy with respect to the recognition of major overhaul expenses for both owned aircraft and engines, as well as aircraft and engines held under finance leases. Please refer to note 2 to the financial statements prepared in accordance with IAS for the details.

** The calculation of earnings/(loss) per share is based on the consolidated profit/(loss) attributable to the shareholders and 3,000,000,000 shares in issue following the formation of the Company for the year 1996, the weighted average number of 4,465,366,575 shares in issue during 1997 and 4,866,950,000 shares in issue from 1998 to 2000.

