

PRINCIPAL FINANCIAL DATA AND FINANCIAL INDICATORS

PRINCIPAL FINANCIAL INDICATORS PREPARED IN ACCORDANCE WITH PRC ACCOUNTING RULES AND REGULATIONS:

	Unaudited		Adjusted, Unaudited
	Six months ended 30 June	Six months ended 30 June	Year ended 31 December
	2001	2000	2000
	Rmb'000	Rmb'000	Rmb'000
Income from principal operations	2,644,971	2,156,087	4,222,857
Net profit	90,764	81,356	141,437
Net profit after deducting non-operating items	92,758	85,502	126,529
Earnings per share (diluted)	0.1119	0.111	0.1622
Earnings per share (weighted average)	0.1138	0.111	0.1622
Return on net assets	4.21%	5.8%	10.08%
Net cash inflow from operating activities per share	0.062	0.274	0.39

	Unaudited		Adjusted, Unaudited
	At 30 June	At 30 June	At 31 December
	2001	2000	2000
	Rmb'000	Rmb'000	Rmb'000
Total Assets	3,797,261	3,028,612	3,011,072
Gearing ratio	40.60%	49.18%	52.79%
Shareholders' equity (before minority interests)	2,155,914	1,403,206	1,326,778
Net assets per share	2.66	1.91	1.64
Adjusted net assets per share	2.51	1.73	1.68

Note:

1. The above financial data and indicators are based on consolidated financial statement. The comparative figures of 2000 have been restated in accordance with "Accounting Regulations for Enterprises" and new accounting rules.

2. Non operating items included: (Rmb'000)

Non-operating income	3,165
Non-operating expenses	5,490
Subsidies income	332

SUMMARY OF PROFIT AND LOSS ACCOUNTS PREPARED IN ACCORDANCE WITH PRC ACCOUNTING RULES AND REGULATIONS:

Profit during the reporting period	Earnings per share		Return on net assets (%)	
	fully diluted	weighted average	fully diluted	weighted average
Profit from principal operations	27.79	30.14	0.7387	0.7508
Profit from operations	7.22	7.83	0.1919	0.1950
Net profit	4.21	4.57	0.1119	0.1138
Net profit after deducting non operating profit and loss items	4.30	4.67	0.1144	0.1163

Notes:

1. There was no change in the share capital during the period from the date of this report to the date of announcement.
2. Fully diluted return on net assets and earnings per share are calculated as follows:

Fully diluted return on net assets = Net profit in the reporting period / Net assets at the end of period

Fully diluted earnings per share = Net profit in the reporting period / Number of share at the end of period

3. Method for calculating return on net assets based on the weighted average of shareholders' equity is as follows:

Return on net assets:

$$ROE = P / (E_o + NP/2 + E_i * M_i / M_o - E_j * M_j / M_o)$$

P: profit for the reporting period

NP: net profit for the reporting period

E_o: net assets at the beginning of the period

E_i: increase in net assets from new issuing of debt or equity during the reporting period

E_j: decrease in net assets from purchase of own shares or cash dividend

M_o: number of months for the reporting period

M_i: number of months from the month of the increase of net assets to the end of period

M_j: number of months from the month of the decrease of net assets to the end of period

4. Method for calculating earnings per share based on weighted average shareholders' equity is as follows:

$$EPS = P / [S_o + S_1 + S_i * M_i / M_o - S_j * M_j / M_o]$$

P: profit for the reporting period

S_o: number of shares at the beginning of period

S₁: increase in number of shares from the conversion from reserve or bonus issues during the reporting period

S_i: increase in number of shares from the new issuing of shares on debt to equity during

- the period
- Sj: decrease in number of shares from purchase of own shares or redemption of own shares during the period
- Mo: number of months for the reporting period
- Mi: number of months from the month of the increase of shares to the end of period
- Mj: number of months from the month of the decrease of shares to the end of period

EXTRACTED FROM THE ACCOUNTS PREPARED IN ACCORDANCE WITH HK GAAP:

	Unaudited six months ended 30 June 2001 <i>Rmb'000</i>	Unaudited six months ended 30 June 2000 <i>Rmb'000</i>
Profit and loss account		
Turnover	2,644,971	2,150,903
Profit before taxation	107,579	111,777
Taxation	54,194	27,166
Profit after taxation	53,385	84,611
Minority interests	1,322	6,219
Net profit	52,063	78,392
	Unaudited As at 30 June 2001	As at 31 December 2000
Balance Sheet		
Total assets	3,986,173	3,256,426
Total liabilities (including minority interests)	1,621,548	1,657,609
Net assets	2,364,625	1,598,817
Gearing ratio *	40.68%	50.90%

* Gearing ratio is computed based on: Total liabilities / Total assets x 100%

RECONCILIATION OF NET PROFIT FOR THE SIX MONTHS ENDED 30 JUNE 2001

	Unaudited <i>RMB '000</i>
Net profit under PRC accounting rules and regulations	90,764
Amortisation of deferred expenditure capitalised	(5,224)
Additional depreciation on revalued fixed assets	(722)
Overprovision of research and development costs	9,003
Bad debt provision written back	4,504
Government subsidies recognised as income	300
Impairment of fixed assets and construction in progress recognised as current period charges	(50,277)
Prepaid expenses written off	(1,935)

Difference in minority interests	5,650
Net profit under HK GAAP	52,063