

Summary of Accounting and Business Data

(prepared in accordance with PRC Accounting Regulations)

Operating Results (Year Ended 31 December 2001)

	RMB millions
Total profit	163.02
Income from Main Operation	2,219.04
Income from Other Operation	541.08
Income from Investments	57.30
Net Income outside Business	(14.95)

Major Accounting Data & Financial Indicators (Expressed in RMB Million)

Item	2001	2000 (before adjustment)	2000 (after adjustment)	1999 (before adjustment)	1999 (after adjustment)
1. Revenue from Main Operations	12,839.34	11,821.76	11,821.76	10,668.64	10,668.64
2. Net (Loss)/Profit	132.92	20.08	20.08	208.10	208.10
3. Total Assets	27,355.23	26,986.30	26,976.00	26,959.75	26,949.75
4. Shareholders' Equity	6,241.37	6,606.55	6,596.55	6,682.55	6,672.55
5. (Loss)/Earning per Share (RMB)	0.02731	0.00413	0.00413	0.04	0.04
6. (Loss)/Earning per Share after deduction of extraordinary profit and loss (RMB)	0.0302	(0.0466)	(0.0466)	(0.09)	(0.09)
7. Net Assets per Share (RMB)	1.28	1.36	1.36	1.37	1.37
8. Return on Net Assets (%)	2.13	0.3040	0.3044	3.11	3.12
9. Net Assets per Share after adjustments (RMB)	1.19	1.20	1.26	1.27	1.27
10. Net Amount of Cash Flow per Share Created by Business Operation (RMB)	0.66	0.63	0.63	0.49	0.49

Notes:

- The major accounting data and financial indicators in 1999 and 2000 are adjusted pursuant to the same accounting policies in 2001. According to the requirements under CK[2001] N0.25 *Notice about the Distribution of "Accounting Regulations for Business Enterprises"* issued by the Ministry of Finance, the company started to follow "Accounting Regulations for Business Enterprises" on Jan 1, 2001. New accounting policies have been applied retrospectively to these financial statement and comparative figures for 1999 and 2000 have been restated to conform with the change of accounting policy. The effect of the change in accounting policy to the financial statements are set out in note 20 to the financial statements prepared in accordance with PRC.

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2. Calculation of Major Financial Indicators:

(Loss)/Earning per Share = Net Profit ÷ Total Number of Ordinary Shares at the end of year

Net Assets per Share = Shareholders' Equity at the end of year ÷ Total number of Ordinary Shares at the end of year

Net Assets per Share after Adjustments = [Shareholders' Equity at the end of year - Accounts Receivable aged more than 3 years - Deferred & Prepaid Expenses - Net Loss on Assets (current and fixed) to be disposed of - Pre-operating expenses - Long-term Deferred & Prepaid Expenses - Negative Balance of housing fund] ÷ Total Number of Ordinary Shares at the end of year

Net Amount of Cash Flow per Share Created by Business Operation = Net Amount of cash flow created by Business Operation ÷ Total Number of Ordinary Shares at the end of year

Return on Net Assets = Net (Loss)/Profit ÷ Shareholders' Equity at the end of year 100%

Changes in Shareholders' Equity (Expressed in RMB million, except share capital)

	Share Capital (unit 10,000)	Capital Reserve	Surplus Reserve	Statutory Common Welfare Fund	Retained Profits	Shareholders' Equity Total
Beginning Balance	486,695.00	1,447.95	239.18	98.62	42.46	6,596.55
Increase, Current	—	43.26	3.36	1.68	132.92	179.54
Decrease, Current	—	228.40	204.75	81.4	101.56	534.72
Ending Balance	486,695.00	1,262.81	37.79	18.90	73.82	6,241.37

The decrease in capital reserve resulted from the setoff of the deficit in the "Turnover Fund for Housing", first against the surplus reserve and then against the capital reserve, in accordance with a shareholders' resolution.

The decrease in surplus reserve resulted from the setoff of the deficit in the "Turnover Fund for Housing" against the surplus reserve, in accordance with a shareholders' resolution. The increase in the surplus reserve this year is due to after-tax profits from China Cargo Airlines Co., Ltd., a consolidated subsidiary of the Company.

The increase in retained profits resulted from the profit earned this year while the decrease is caused by the distribution of cash dividends.