

# Financial Highlights

## I Prepared in accordance with Hong Kong accounting standards

### Results Highlights

For the year ended 31 December

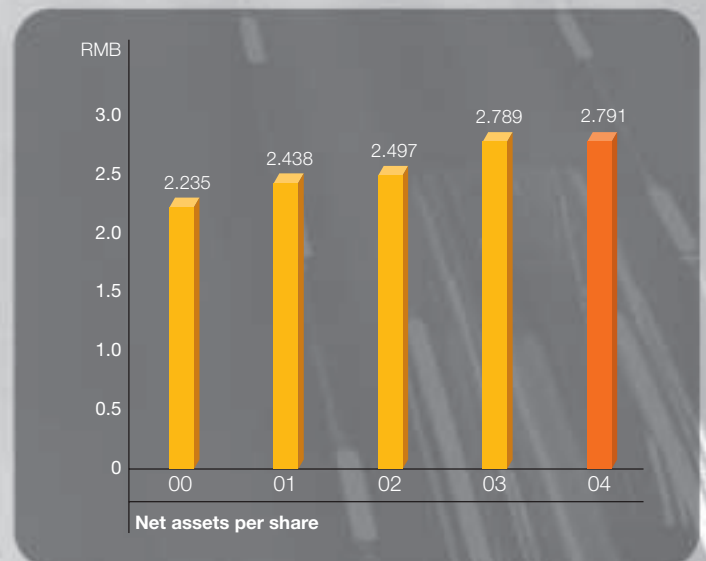
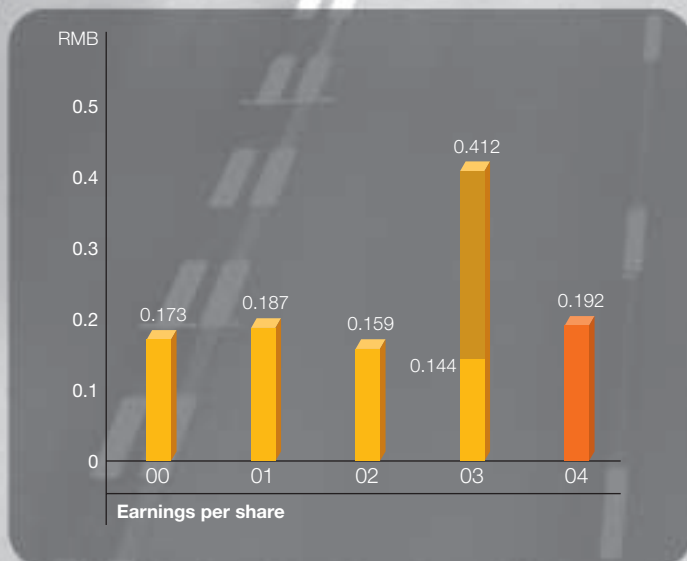
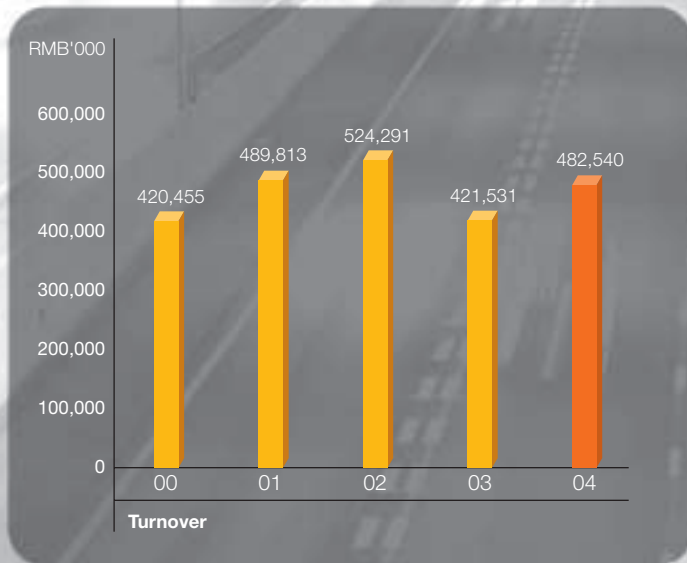
(RMB'000)	2004	2003*	2003	2002	2001	2000
Turnover	<b>482,540</b>	421,531	421,531	524,291	489,813	420,455
Profit before interests, tax, depreciation and amortization	<b>606,112</b>	458,442	1,149,858	539,619	554,402	458,490
Profit before interests and taxation	<b>516,461</b>	376,254	1,067,670	438,945	466,252	399,793
Profit before taxation	<b>503,539</b>	363,114	1,054,530	414,018	424,605	365,598
Profit attributable to shareholders	<b>418,870</b>	313,100	899,372	347,064	408,222	348,958
Earnings per share (RMB)	<b>0.192</b>	0.144	0.412	0.159	0.187	0.173
Dividend per share (RMB)	<b>0.110</b>	0.100	0.190	0.120	0.100	0.100

\* These figures represent results of the Group's ordinary business ("Ordinary Business") for 2003 and are derived after excluding the gain on disposal of two Class 1 highways of RMB586,272,000 ("Assets Disposal Gain") and special dividend per share of RMB0.09 and are for reference only.

### Assets Highlights

As at 31 December

(RMB'000)	2004	2003	2002	2001	2000
Total assets	<b>7,345,486</b>	6,988,973	6,700,302	6,764,379	5,712,406
Total liabilities	<b>1,208,814</b>	856,937	1,204,739	1,399,678	1,158,209
Minority interests	<b>50,066</b>	49,967	50,282	48,414	48,690
Shareholders' funds	<b>6,086,606</b>	6,082,069	5,445,281	5,316,287	4,505,507
Net assets per share (RMB)	<b>2.791</b>	2.789	2.497	2.438	2.235



# Financial Highlights

## Financial Ratio

	2004	2003*	2003	2002	2001	2000
Operating profits ratio	<b>82.30%</b>	71.33%	239.26%	68.19%	79.02%	77.81%
Toll road operating profits ratio	<b>71.86%</b>	73.30%	73.30%	69.84%	61.66%	75.21%
Return on shareholders' funds	<b>6.88%</b>	6.05%	13.60%	6.45%	8.31%	7.94%
Interest covered multiple	<b>39.97</b>	28.63	81.25	17.61	11.20	11.69
Gross liabilities equity ratio	<b>19.86%</b>	14.09%	14.09%	22.12%	26.33%	25.77%

\* In calculating the relevant ratio, the Assets Disposal Gain has been deducted.

## II Major Differences Between Accounts Prepared in accordance with HK GAAP and PRC Accounting Standards

The Group has compiled consolidated accounts as at 31 December 2004 in accordance with PRC Accounting Standards. The major differences between accounts prepared in accordance with HK GAAP and PRC Accounting Standards are listed as follows:

	Note	Profit attributable to shareholders for the year ended 31 December 2004 (RMB'000)	Net assets as at 31 December 2004 (RMB'000)
As per PRC statutory accounts		484,564	6,023,100
Impact of HK GAAP adjustments			
Amortization of land use rights and related deferred tax	Note 1	3,982	59,541
Depreciation of fixed assets	Note 1	654	17,022
Extra compensation in respect of assets disposal	Note 2	(106,109)	—
Imputed interest adjustment on long-term portion of receivables	Note 3	35,779	(13,054)
Others		—	(3)
Net amount of adjustments		(65,694)	63,506
As restated after HK GAAP adjustments		418,870	6,086,606

**Note 1. Difference of amortisation of land use rights and depreciation of fixed assets**

In compiling the PRC statutory accounts in accordance with Rules of Accounting for Enterprise (《企業會計制度》) and other relevant regulations, the Group accounted for land use rights as intangible asset and premium arising from acquisition of equity interest as goodwill on acquisition. Both intangible asset and goodwill on acquisition are amortised under the straight-line method. In restating the accounts under HK GAAP adjustments, the Group accounted for land use rights in relation to toll roads and the premium arising from the acquisition of Meiguan Company as costs of fixed assets, and depreciation of these fixed assets are calculated on an units-of-usage basis. These different accounting treatments cause derivation on net asset values and profit attributable to shareholders.

**Note 2. Difference on tax compensation in respect of assets disposal**

In compiling the PRC statutory accounts in accordance with Rules of Accounting for Enterprise (《企業會計制度》), tax compensation in respect of the disposal of NH107 and NH205 in 2003 was accounted as revenue when the amount was received in 2004. In restating the accounts under HK GAAP adjustments, the Company accounted for the amount as gain on disposal of assets in 2003. This created a difference on profit attributable to shareholders.

**Note 3. Imputed interest adjustment on long term portion of receivables**

In compiling the PRC statutory accounts in accordance with Rules of Accounting for Enterprise (《企業會計制度》), the Company accounted for the full consideration on disposal of assets in the year of disposal in 2003, without taking into account the timing effect of these long term instalment payments. In restating the accounts under HK GAAP adjustments, the Company calculated the discounted value of the consideration receivable and deducted from the disposal consideration. The discounting effect are recognised as interest income in the years 2004 and 2005 when the instalments are actually received. These have created differences in net asset value and profit attributable to shareholders.