

CONSOLIDATED INCOME STATEMENT

For the Year ended December 31, 2004

(Amounts expressed in thousands of Renminbi (“RMB”), except per share data)

	Note	2004	2003
Revenues:			
Aviation information technology service		1,025,725	663,932
Data network and Others		257,125	229,686
Total revenues	4	1,282,850	893,618
Business taxes and other surcharges		(42,277)	(32,005)
Net revenues		1,240,573	861,613
Operating expenses:			
Depreciation and amortisation		(166,741)	(149,166)
Network usage		(70,671)	(58,792)
Personnel		(133,829)	(147,783)
Operating lease rentals		(49,406)	(42,870)
Technical support and maintenance fees		(40,456)	(44,650)
Commission and promotion expenses		(155,702)	(74,537)
Other operating expenses		(170,624)	(119,492)
Total operating expenses		(787,429)	(637,290)
Operating profit		453,144	224,323
Financial income, net		37,558	34,569
Share of results of associated companies		10,934	11,445
Other expenses, net		(2,038)	2,008
Profit before taxation and minority interests	5	499,598	272,345
Taxation	9	(40,188)	(23,092)
Income before minority interests		459,410	249,253
Minority interests		(10,229)	(6,712)
Net profit		449,181	242,541
Earnings per share, basic and diluted (RMB)	10	0.51	0.27
Weighted average number of shares outstanding (thousand)	10	888,158	888,158

The accompanying notes are an integral part of these financial statements.