

Consolidated Statement of Changes in Shareholders' Equity

For the Year Ended 31 December 2004
(All amounts in RMB thousands)

	Ordinary shares	Share premium	Capital reserve	Statutory surplus reserve	Statutory public welfare reserve	Retained earnings	Total shareholders' equity
	Note 23	Note 24(a)	Note 24(b)	Note 24(c)	Note 24(d)	Note 24(e)	
Balance at 1 January 2003	1,183,480	1,200,012	28,630	177,006	175,100	344,196	3,108,424
Net profit	—	—	—	—	—	743,404	743,404
Issuance of ordinary shares	72,200	545,418	—	—	—	—	617,618
Addition from subsidiaries' loan waived and donation received	—	—	2,743	—	—	—	2,743
Profit appropriations							
— Dividends relating to 2002 (Note 8)	—	—	—	—	—	(59,174)	(59,174)
— Statutory surplus reserve	—	—	—	163,869	—	(163,869)	—
— Statutory public welfare reserve	—	—	—	—	155,099	(155,099)	—
Release of statutory reserve upon liquidation of subsidiaries	—	—	—	(25,539)	(25,539)	51,078	—
Balance at 1 January 2004	1,255,680	1,745,430	31,373	315,336	304,660	760,536	4,413,015
Net profit	—	—	—	—	—	960,919	960,919
Addition from subsidiaries' loan waived and donation received	—	—	296	—	—	—	296
Profit appropriations							
— Dividends relating to 2003 (Note 8)	—	—	—	—	—	(125,568)	(125,568)
— Statutory surplus reserve	—	—	—	209,802	—	(209,802)	—
— Statutory public welfare reserve	—	—	—	—	191,741	(191,741)	—
Balance at 31 December 2004	1,255,680	1,745,430	31,669	525,138	496,401	1,194,344	5,248,662

The accompanying accounting policies and notes form an integral part of these consolidated financial statements.