

Profit and Loss Accounts

(Prepared in accordance with PRC Accounting Standards)

For the year ended 31st December, 2004

(All amounts are stated in RMB Yuan unless otherwise stated)

| | Note | Consolidated | | The Company | |
|---|-------------|-----------------------|------------------|-----------------------|------------------|
| | | 2004 | 2003 | 2004 | 2003 |
| 1. Revenues from principal operations | 5(20), 6(4) | 30,292,698,696 | 23,479,646,958 | 24,812,849,816 | 20,287,987,380 |
| Less: Cost of principal operations | 5(20), 6(4) | (22,548,970,713) | (15,690,199,491) | (18,669,183,184) | (13,698,115,361) |
| Tax and levies on principal operations | | (32,323,702) | (45,334,549) | (6,439,058) | (7,542,002) |
| 2. Profit from principal operations | | 7,711,404,281 | 7,744,112,918 | 6,137,227,574 | 6,582,330,017 |
| Add: Profit from other operations | | 65,310,314 | 30,574,635 | 61,068,713 | 31,991,798 |
| Less: General and administrative expenses | | (543,097,354) | (441,548,979) | (403,851,618) | (327,750,541) |
| Financial expenses, net | 5(21) | (799,170,559) | (559,636,467) | (500,109,803) | (430,705,990) |
| 3. Operating profit | | 6,434,446,682 | 6,773,502,107 | 5,294,334,866 | 5,855,865,284 |
| Add: Investment income | 5(22), 6(5) | 195,959,152 | 133,885,686 | 754,656,514 | 567,970,021 |
| Subsidy income | | 8,000,000 | — | 8,000,000 | — |
| Non-operating income | | 64,266,564 | 20,485,605 | 49,097,324 | 2,108,848 |
| Less: Non-operating expenses | | (10,830,991) | (153,792,811) | (7,770,192) | (143,297,291) |
| 4. Profit before taxation and minority interests | | 6,691,841,407 | 6,774,080,587 | 6,098,318,512 | 6,282,646,862 |
| Less: Income tax | | (996,457,462) | (1,116,100,498) | (709,261,465) | (825,504,311) |
| Minority interests | | (306,326,898) | (200,837,538) | — | — |
| 5. Net profit | | 5,389,057,047 | 5,457,142,551 | 5,389,057,047 | 5,457,142,551 |

Supplemental information:

| | Consolidated | | The Company | |
|--|--------------|------|-------------|------|
| | 2004 | 2003 | 2004 | 2003 |
| 1. Profit from sale or disposal of a business unit or investments | — | — | — | — |
| 2. Loss due to natural disaster | — | — | — | — |
| 3. Increase/(decrease) in profit before taxation and minority interests as a result of changes in accounting policies | — | — | — | — |
| 4. Increase/(decrease) in profit before taxation and minority interests as a result of changes in accounting estimates | — | — | — | — |
| 5. Loss on debt restructuring | — | — | — | — |
| 6. Others | — | — | — | — |

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

Legal representative:
Li Xiaopeng

Person in charge of
accounting function:
Huang Jian

Person in charge of
accounting department:
Zhou Hui