

Consolidated Statement of Changes in Equity

For the year ended 31 December 2004
(Expressed in thousands of RMB)

| | The Group | | | | | |
|---|---------------|---------------|---------------------|-------------------|------------------|-------------|
| | Share capital | Share premium | Revaluation reserve | Statutory reserve | Retained profits | Total |
| Balance at 1 January 2003 | 1,331,371 | 52,482,127 | 176,853 | 1,123,212 | 11,538,972 | 66,652,535 |
| Dividends (Note 15(b)) | — | — | — | — | (1,255,300) | (1,255,300) |
| Exercise of share options | 19 | 1,139 | — | — | — | 1,158 |
| Profit for the year | — | — | — | — | 4,217,097 | 4,217,097 |
| Appropriation to statutory reserve (Note 15(a)) | — | — | — | 419,266 | (419,266) | — |
| Balance at 31 December 2003 | 1,331,390 | 52,483,266 | 176,853 | 1,542,478 | 14,081,503 | 69,615,490 |
| Dividends (Note 15(b)) | — | — | — | — | (1,256,160) | (1,256,160) |
| Exercise of share options (Note 29(g)) | 1,097 | 63,028 | — | — | — | 64,125 |
| Profit for the year | — | — | — | — | 4,386,999 | 4,386,999 |
| Appropriation to statutory reserve (Note 15(a)) | — | — | — | 429,300 | (429,300) | — |
| Balance at 31 December 2004 | 1,332,487 | 52,546,294 | 176,853 | 1,971,778 | 16,783,042 | 72,810,454 |
| Representing: | | | | | | |
| Proposed final dividend (Note 15(b)) | | | | | 1,256,349 | |
| Others | | | | | 15,526,693 | |
| Balance at 31 December 2004 | | | | | 16,783,042 | |

| | The Company | | | |
|---|---------------|---------------|------------------|-------------|
| | Share capital | Share premium | Retained profits | Total |
| Balance at 1 January 2003 | 1,331,371 | 52,482,127 | 3,854,183 | 57,667,681 |
| Dividends (Note 15(b)) | — | — | (1,255,300) | (1,255,300) |
| Exercise of share options | 19 | 1,139 | — | 1,158 |
| Loss for the year | — | — | (21,654) | (21,654) |
| Balance at 31 December 2003 | 1,331,390 | 52,483,266 | 2,577,229 | 56,391,885 |
| Dividends (Note 15(b)) | — | — | (1,256,160) | (1,256,160) |
| Exercise of share options (Note 29 (g)) | 1,097 | 63,028 | — | 64,125 |
| Profit for the year | — | — | 9,358 | 9,358 |
| Balance at 31 December 2004 | 1,332,487 | 52,546,294 | 1,330,427 | 55,209,208 |
| Representing: | | | | |
| Proposed final dividend (Note 15(b)) | | | 1,256,349 | |
| Others | | | 74,078 | |
| Balance at 31 December 2004 | | | 1,330,427 | |