

# Summary of Accounting and Business Data

(Prepared in accordance with PRC Accounting Regulations)

## Operating Results (Year Ended 31 December 2004)

	RMB millions
Total profit	<b>915</b>
Income from Main Operation	<b>3,248</b>
Income from Other Operation	<b>665</b>
Income from Investments	<b>(29)</b>
Net Income outside Business	<b>285</b>

## Major Accounting Data & Financial Indicators (Expressed in RMB Million)

	2004	2003	2002 (before adjustment)	2002 (after adjustment)
1. Revenue from Main Operations	<b>19,893.14</b>	13,999.06	13,390.65	13,390.65
2. Net (Loss)/Profit	<b>536.34</b>	(825.97)	124.26	124.26
3. Total Assets	<b>41,395.60</b>	36,687.48	31,426.20	31,610.13
4. Shareholders Equity	<b>5,798.17</b>	5,226.91	6,284.07	6,381.41
5. (Loss)/Earning per Share (RMB)	<b>0.1102</b>	(0.1697)	0.0255	0.0255
6. (Loss)/Earning per Share after deduction of extraordinary profit and loss (RMB)	<b>0.0481</b>	(0.2069)	0.0138	0.0155
7. Net Assets per Share (RMB)	<b>1.191</b>	1.074	1.291	1.311
8. Return on Net Assets (%)	<b>9.25</b>	(15.80)	1.98	1.95
9. Net Assets per Share after adjustments (RMB)	<b>1.1209</b>	1.0001	1.2303	1.2503
10. Net Amount of Cash Flow per Share Created by Business Operation (RMB)	<b>0.87</b>	0.83	0.73	0.73

### \* Non-frequented gains and losses

Items	Year 2004	Year 2003
Gain on short-term investment	–	18,872,894.67
Subsidy income	<b>60,536,787.13</b>	75,135,348.95
Gains on disposal of fixed assets	<b>46,093,303.51</b>	1,113,033.44
Revenue of Sales in Advance of Carriage excesses settlement period	<b>215,141,670.66</b>	98,966,740.57
Other Operating Revenue	<b>25,871,932.03</b>	4,424,966.51
Less: Losses on disposal of fixed assets	<b>31,140,310.64</b>	8,832,544.21
Other Non-operating Expense	<b>14,155,066.94</b>	8,495,601.45
<b>Total</b>	<b>302,348,315.75</b>	181,184,838.48

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China Eastern Airlines Corporation Limited

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(Prepared in accordance with PRC Accounting Regulations)

## Notes:

1. The major accounting data and financial indicators in 2002 are adjusted pursuant to the same accounting policies in 2003.
2. Calculation of Major Financial Indicators:

Earning/(Loss) per Share = Net Profit/(Loss) ÷ Total Number of Ordinary Shares at the end of year

Net Assets per Share = Shareholders' Equity at the end of year ÷ Total number of Ordinary Shares at the end of year

Net Assets per Share after Adjustments = [Shareholders' Equity at the end of year – Accounts Receivable aged more than 3 years – Deferred & Prepaid Expenses – Net Loss on Assets (current and fixed) to be disposed of – Pre-operating expenses – Long-term Deferred & Prepaid Expenses – Negative Balance of housing fund] ÷ Total Number of Ordinary Shares at the end of year

Net Amount of Cash Flow per Share Created by Business Operation = Net Amount of cash flow created by Business Operation ÷ Total Number of Ordinary Shares at the end of year

Return on Net Assets = Net Profit/(Loss) ÷ Shareholders' Equity at the end of year 100%

## Changes in Shareholders' Equity (Expressed in RMB million, except share capital)

	Share Capital (unit 10,000)	Capital Reserve	Surplus Reserve	Statutory Common Welfare Fund	Unallocated Profit	Cash Dividend	Shareholders' Equity Total
Beginning Balance	486,695.00	1,147.09	118.81	58.90	(905.93)	0	5,226.91
Increase, Current	–	76.14	67.13	31.84	536.34	97.34	776.95
Decrease, Current	–	40.54	–	–	165.15	0	205.69
Ending Balance	486,695.00	1,182.68	185.94	90.74	(534.74)	97.34	5,798.17

Increase in the capital reserve is mainly due to increase in the provision for investment in shareholdings and special appropriation.

Increase in the surplus reserve is due to increase in the profit after taxation of subsidiaries.

Even though these are provisions in surplus reserve, welfare and incentive fund of staff and cash bonus, the profit increase still results in an increase in the unallocated profit for the period.

Increase in shareholders' equity is mainly due to the profit for the period and increase in the capital reserve.