

# Accounting Data and Business Statistics Highlights

## 1. PROFIT FOR THE YEAR AND ITS ANALYSIS

- (1) In accordance with the Accounting Standards and the Accounting System for Business Enterprises of the PRC (collectively the "PRC GAAP" or "PRC Accounting Regulations"), the Company and its subsidiaries (the "Group") have achieved total profit of RMB482,811,000, details of which are as follows:

	<i>RMB</i>
Total profit	482,811,000
Net profit	323,197,000
Net profit after extraordinary items	326,233,000
Profit from principal operations	565,179,000
Profit from other operations	3,058,000
Operating profit	487,343,000
Investment gain	0
Subsidy income	0
Non-operating expenses – net	(4,532,000)
Net cash flows from operating activities	142,285,000
Increase in cash and cash equivalents	468,593,000

- (2) The net profit of the Group as prepared in accordance with the PRC GAAP was RMB323,197,000. The net profit of the Group as prepared in accordance with the Accounting Principles Generally Accepted in Hong Kong (the "HK GAAP") was RMB323,197,000. There is no difference between the two figures.

## 2. EXTRAORDINARY ITEMS FOR THE YEAR

	<i>RMB</i>
Other non-operating income and expenses net of provision on asset impairment	(4,532,000)
Effect of income tax	1,496,000
Total	<u><u>(3,036,000)</u></u>

### 3. PRINCIPAL ACCOUNTING DATA AND FINANCIAL HIGHLIGHTS FOR THREE YEARS

(1) For each of the three years ended 31st December 2004, as prepared in accordance with the PRC GAAP:

#### Principal accounting data

Year ended 31st December	2004 (Audited) RMB'000	2003(Audited)		Percentage Increase(+) Decrease(-)	2002(Audited)	
		After Adjustment RMB'000	Before Adjustment RMB'000		After Adjustment RMB'000	Before Adjustment RMB'000
Principal operating income	755,148	629,696	629,696	+19.92	670,749	670,749
Total profit	482,811	412,938	412,938	+16.92	428,536	428,536
Net profit	323,197	276,892	276,892	+16.72	287,236	287,236
Net profit, net of extraordinary items	326,233	278,005	278,005	+17.35	288,378	288,378
As at 31st December	2004 (Audited) RMB'000	2003(Audited) After Adjustment RMB'000	2003(Audited) Before Adjustment RMB'000	Percentage Increase(+) Decrease(-)	2002(Audited) After Adjustment RMB'000	2002(Audited) Before Adjustment RMB'000
Total assets	4,657,758	3,186,946	3,186,946	+46.15	2,757,008 (Note 1)	2,757,008
Shareholders' equity	2,235,763	2,018,966	2,018,966	+10.74	1,855,124	1,742,074
Net cash flows from operating activities	142,285	280,325	280,325	-49.24	359,348	359,348

**3. PRINCIPAL ACCOUNTING DATA AND FINANCIAL HIGHLIGHTS FOR THREE YEARS** (Cont'd)

## Financial indicators

Year ended 31st December	2004 (Audited)	2003(Audited) After Adjustment	Before Adjustment	Percentage Increase(+) Decrease(-)	2002(Audited) After Adjustment	Before Adjustment
Earnings per Share (RMB)	0.24	0.21	0.21	+14.29	0.22	0.22
Return on net assets (fully diluted) %	14.46	13.71	13.71	+0.75	15.48	16.49
Return on net asset after extraordinary items (fully diluted) %	14.59	13.77	13.77	+0.82	15.54	16.55
Net cash flows from operating activities per Share (RMB)	0.11	0.21	0.21	-47.62	0.27	0.27
Earnings per Share (weighted average) (RMB)	0.24	0.21	0.21	+14.29	0.22	0.22
Earnings per Share of net profit, net of extraordinary items (fully diluted) (RMB)	0.25	0.21	0.21	+19.04	0.22	0.22
Earnings per Share of net profit, net of extraordinary items (weighted average) (RMB)	0.25	0.21	0.21	+19.04	0.22	0.22
Return on net asset (weighted average) %	15.38	14.29	14.29	+1.09	(Note 2) 16.28	16.78
Return on net asset of net profit, net of extraordinary items (weighted average) %	15.53	14.35	14.35	+1.18	(Note 2) 16.34	16.85
As at 31st December	2004 (Audited)	2003(Audited) After Adjustment	Before Adjustment	Percentage Increase(+) Decrease(-)	2002(Audited) After Adjustment	Before Adjustment
Net asset value per Share (RMB)	1.68	1.52	1.52	+10.53	(Note 1) 1.39	1.31
Adjusted net asset value per Share (RMB)	1.68	1.52	1.52	+10.53	(Note 1) 1.39	1.31

## Note:

- (1) Explanation on the adjustment of Shareholders' equity for 2002: Effective from 1st July 2003, the Company has adopted the revised "Accounting Standard for Business Enterprises – Events Occurring After the Balance Sheet Date" (the "Revised Standard"). Prior to the adoption of the Revised Standard, proposed cash dividend distribution was transferred out of Shareholders' equity and recognised as payables in the period related to which the Board proposed the distribution plan. Subsequent to 1st July 2003, cash dividend distribution is recognised in the period when the distribution plan is approved at the general meeting of the shareholders (the "Shareholders") of the Company. As a result of the adoption of the Revised Standard, the net asset value per Share, adjusted net asset value per Share and return on net assets in 2002 has been adjusted retrospectively due to the change in accounting policy.
- (2) Explanation on the adjustment of return on net assets for 2002: As a result of the change in Shareholders' equity referred to above, the indicator for return on net assets for the year was adjusted accordingly.

**3. PRINCIPAL ACCOUNTING DATA AND FINANCIAL HIGHLIGHTS FOR THREE YEARS** (Cont'd)

- (2) Return on net assets and earnings per Share as calculated according to the "Information Disclosure for Companies Issuing Listed Securities" (No. 9) of the CSRC are as follows:

Profit for the year under review	Return on net assets		Earnings per Share	
	Fully diluted	Weighted average	Fully diluted	Weighted average
	%	%	RMB	RMB
Profit from principal operations	25.28	26.90	0.42	0.42
Operating profit	21.80	23.20	0.37	0.37
Net profit	14.46	15.38	0.24	0.24
Net profit, net of extraordinary item	14.59	15.53	0.25	0.25

- (3) For each of the three years ended 31st December 2004, as prepared in accordance with HK GAAP:

Financial indicators	Unit	2004	2003	2002
1. Income from principal operations	RMB'000	713,737	594,645	633,858
2. Net profit	RMB'000	323,197	276,892	287,236
3. Total assets	RMB'000	4,657,758	3,186,946	2,757,008
4. Shareholders' equity	RMB'000	2,235,763	2,018,966	1,855,124
5. Earnings per Share	RMB	0.24	0.21	0.22
6. Net asset value per Share	RMB	1.68	1.52	1.39
7. Adjusted net asset value per Share	RMB	1.68	1.52	1.39
8. Net cash flows from operating activities per Share	RMB	0.11	0.21	0.27
9. Return on net assets	%	14.46	13.71	15.48

Note: There is no change in the number of Shares throughout the year. As a result, weighted average earnings per Share is equal to fully diluted earnings per Share.

#### 4. CHANGE IN SHAREHOLDERS' EQUITY DURING THE REPORTING PERIOD

(Prepared in accordance with PRC GAAP)

Item	Beginning of the year <i>RMB'000</i>	Increase <i>RMB'000</i>	Decrease <i>RMB'000</i>	End of the year <i>RMB'000</i>
Share capital	1,330,000	—	—	1,330,000
Capital reserve fund	69,289	—	—	69,289
General reserves	125,869	48,480	—	174,349
Including: Statutory provident fund	41,957	16,160	—	58,117
Undistributed profits	493,808	323,197	154,880	662,125
Shareholders' equity	2,018,966	371,677	154,880	2,235,763

- (1) Reason for the change of general reserves: due to distribution of profits.
- (2) Reason for the change of undistributed profits: increase due to net profit increase for the reporting period, decrease due to distribution of profits.
- (3) Reason for the change of Shareholders' equity: increase due to net profit increase for the reporting period, decrease due to distribution of profits.