

Financial Highlights

“TO BECOME THE LEADING MANUFACTURER IN THE INFRASTRUCTURE MACHINERY SECTOR THROUGH CONTINUOUS GROWTH AND SUSTAINABLE PROFITABILITY”

FINANCIAL HIGHLIGHTS

	2005 <i>RMB'000</i>	2004 <i>RMB'000</i>	CHANGE
Turnover	2,678,496	2,108,624	+27%
Profit attributable to shareholders	235,906	131,905	+79%
Shareholders' equity	1,152,760	512,888	+125%
Total assets	2,074,313	1,560,242	+33%

SUMMARY OF KEY OPERATING AND FINANCIAL RATIOS

	2005	2004	CHANGE
Inventory turnover days ⁽¹⁾	113.6	116.5	-3 days
Trade and bills receivable turnover days ⁽²⁾	44.3	47.2	-3 days
EBITDA margin ⁽³⁾	12.0%	12.0%	-
Return on equity ⁽⁴⁾	20.4%	25.7%	-5%
Debt to equity ratio/Gearing ratio ⁽⁵⁾	39.4%	92.0%	-53%
Interest coverage ratio ⁽⁶⁾	9.6 X	11.2 X	-1.6 X
Current ratio ⁽⁷⁾	1.7 X	1.2 X	+0.5 X
Net assets per share# <i>(RMB)</i> ⁽⁸⁾	1.56	0.73	+114%
Earnings per share# <i>(RMB)</i> ⁽⁹⁾	0.32	0.19	+68%
Net debt-to-equity ratio ⁽¹⁰⁾	4%	61%	-57%

Based on the weighted average number of 740,031,507 shares in issue as at 31 December 2005 (2004:700,000,000)

Notes:

- (1) Average inventories divided by cost of sales and multiplied by 365 days.
- (2) Average trade and bills receivables divided by turnover and multiplied by 365 days.
- (3) Earnings before interest, tax, depreciation and amortisation (“EBITDA”) divided by turnover for each year.
- (4) Net profit attributable to shareholders of the Company for each year divided by total equity as at the end of each year.
- (5) Interest-bearing debt for each year divided by total equity as at the end of the year.
- (6) Earnings before interest and income tax expenses (“EBIT”) divided by interest expenses.
- (7) Current assets divided by current liabilities as at the end of each year.
- (8) Shareholders' equity divided by the total number of outstanding shares as at the end of each year.
- (9) Net profit attributable to shareholders of the Company for each year divided by the total number of outstanding shares as at the end of each year.
- (10) Interest-bearing debt minus bank balances and cash divided by the total equity as at the end of each year.