

FINANCIAL HIGHLIGHTS

AUDITED CONSOLIDATED INCOME STATEMENT

For the years ended December 31,

(Expressed in thousands of Renminbi ("RMB"), except for per share and per ADS data)

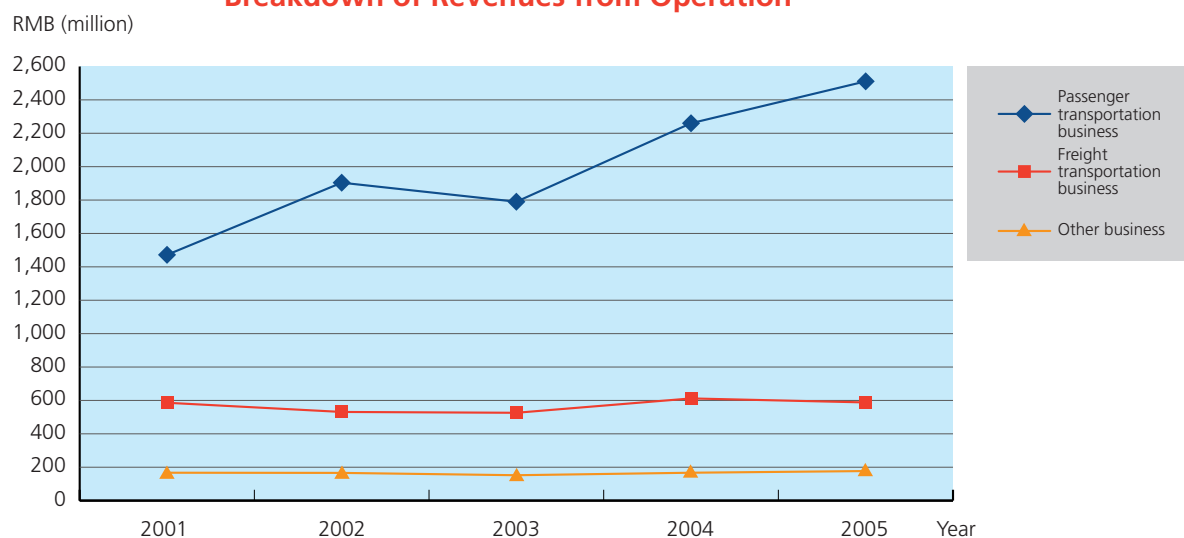
	2005	2004	2003	2002	2001
Revenues from railway businesses					
Passenger	2,511,156	2,259,671	1,790,204	1,903,782	1,471,895
Freight	588,310	611,807	526,382	530,776	585,616
Sub-total	3,099,466	2,871,478	2,316,586	2,434,558	2,057,511
Revenues from other businesses	177,462	166,671	151,596	166,266	167,064
Total revenue	3,276,928	3,038,149	2,468,182	2,600,824	2,224,575
Total operating expenses	(2,566,128)	(2,407,976)	(1,905,469)	(1,978,327)	(1,670,464)
Profit from operations ⁽¹⁾	759,305	678,366	610,054	665,992	632,771
Profit before tax ⁽²⁾	716,618	665,111	605,078	661,461	631,293
Profit after tax	612,370	566,738	511,730	557,196	531,996
Minority interests	998	746	32	(113)	1,499
Profit attributable to shareholders	613,368	567,484	511,762	557,083	533,495
Earnings per share					
— Basic	RMB0.14	RMB0.13	RMB0.12	RMB0.13	RMB0.12
— Diluted	N/A	N/A	N/A	N/A	N/A
Earnings per ADS	RMB7.07	RMB6.54	RMB5.90	RMB6.42	RMB6.15

Notes: (1) Pursuant to the recently revised "International Accounting Standards (IAS) 1 — Presentation of Financial Statements", the "Other incomes (net)" shall be presented prior to "Profit from operations" in the Income Statement, so the "Profit from operations" referred to in this annual report (including the tables) include "Other incomes (net)", while the "Profit from operations" referred to in the annual reports of the previous years did not include "Other incomes (net)".

(2) Pursuant to the recently revised "IAS 28 — Investment in Associates", the "Share of profit in associates" shall be presented in the sum after tax, so the share of income tax of associates has been deducted from the "Profit before tax" referred to in this annual report (including the tables), while the share of income tax of associates were not deducted from the "Profit before tax" referred to in the annual reports of the previous years (including the tables).

FINANCIAL HIGHLIGHTS

Breakdown of Revenues from Operation



NET ASSET SUMMARY (EXCLUDING MINORITY INTERESTS)

As of December 31,

(Expressed in thousands of RMB, except for per share data)

	2005	2004	2003	2002	2001
Total assets	12,744,453	11,409,051	11,073,953	11,257,594	10,997,216
Total liabilities	2,011,637	936,865	699,237	1,001,866	860,976
Minority interests	48,757	51,612	52,358	11,577	15,617
Net assets	10,684,059	10,420,574	10,322,358	10,244,151	10,120,623
Net assets per share	RMB2.46	RMB2.40	RMB2.38	RMB2.36	RMB2.33