

CONSOLIDATED INCOME STATEMENT

For the year ended December 31, 2005
(All amounts in Renminbi thousands, except for earnings per share data)

	Note	2005	2004 (Note 35)
Revenues from railroad businesses			
Passengers		2,511,156	2,259,671
Freight		588,310	611,807
		<u>3,099,466</u>	<u>2,871,478</u>
Revenues from other businesses		177,462	166,671
Total revenues		<u>3,276,928</u>	<u>3,038,149</u>
Operating expenses			
Railroad businesses			
Business tax		(86,565)	(83,732)
Labour and benefits		(518,614)	(492,581)
Equipment leases and services		(507,627)	(452,204)
Materials and supplies		(283,902)	(245,534)
Repair costs, excluding materials and supplies		(262,973)	(216,294)
Depreciation of fixed assets		(325,582)	(334,501)
Amortisation of leasehold land payments		(15,416)	(15,704)
Fees for social services		(78,227)	(84,643)
General and administrative expenses		(188,360)	(190,290)
Others		(108,515)	(126,338)
		<u>(2,375,781)</u>	<u>(2,241,821)</u>
Other businesses			
Business tax		(10,493)	(7,840)
Materials and supplies		(103,249)	(95,637)
General and administrative expenses		(76,605)	(62,678)
		<u>(190,347)</u>	<u>(166,155)</u>
Total operating expenses		<u>(2,566,128)</u>	<u>(2,407,976)</u>
Other income, net		48,505	48,193
Profit from operations	23	759,305	678,366
Finance costs	25	(22,738)	(1,136)
Share of results of associates after tax	10	(19,949)	(12,119)
Profit before income tax		716,618	665,111
Income tax expense	26	(104,248)	(98,373)
Profit for the year		612,370	566,738
Attributable to:			
Equity holders of the Company		613,368	567,484
Minority interests		(998)	(746)
		<u>612,370</u>	<u>566,738</u>
Dividends	29	520,266	476,911
Earnings per share for profit attributable to the equity holders of the Company during the year	28		
— Basic		<u>RMB0.14</u>	<u>RMB0.13</u>
— Diluted		<u>N/A</u>	<u>N/A</u>

The notes on pages 86 to 139 form an integral part of these consolidated financial statements.