

STATEMENT OF CHANGES IN EQUITY

For the year ended December 31, 2005
(All amounts in Renminbi thousands)

	Note	Attributable to equity holders of the Company						Minority interest	Total equity	
		Share capital	Share premium	Shares issuance costs (Note 19)	Statutory surplus reserve	Statutory public welfare fund	Discretionary surplus reserve			Retained earnings
Group										
Balance at January 1, 2004		4,335,550	3,984,135	—	545,574	481,394	341,659	634,046	52,358	10,374,716
Share issuance costs		—	—	(14,035)	—	—	—	—	—	(14,035)
Profit for the year		—	—	—	—	—	—	567,484	(746)	566,738
Appropriation from retained earnings	20	—	—	—	59,771	29,900	—	(89,671)	—	—
Dividends relating to 2003		—	—	—	—	—	—	(455,233)	—	(455,233)
Balance at December 31, 2004		<u>4,335,550</u>	<u>3,984,135</u>	<u>(14,035)</u>	<u>605,345</u>	<u>511,294</u>	<u>341,659</u>	<u>656,626</u>	<u>51,612</u>	<u>10,472,186</u>
Balance at January 1, 2005		4,335,550	3,984,135	(14,035)	605,345	511,294	341,659	656,626	51,612	10,472,186
Share issuance costs		—	—	(12,972)	—	—	—	—	—	(12,972)
Profit for the year		—	—	—	—	—	—	613,368	(998)	612,370
Adjustment related to carrying value of fixed assets at Restructuring (Note a)	6	—	140,000	—	—	—	—	—	—	140,000
Appropriation from retained earnings	20	—	—	—	61,192	29,834	13	(91,039)	(1,857)	(1,857)
Transfers		—	—	—	(3,995)	(6,592)	4,321	6,266	—	—
Dividends relating to 2004	29	—	—	—	—	—	—	(476,911)	—	(476,911)
Balance at December 31, 2005		<u>4,335,550</u>	<u>4,124,135</u>	<u>(27,007)</u>	<u>662,542</u>	<u>534,536</u>	<u>345,993</u>	<u>708,310</u>	<u>48,757</u>	<u>10,732,816</u>
Company										
Balance at January 1, 2004, restated		4,335,550	3,984,135	—	525,207	469,708	306,521	650,450	—	10,271,571
Originally reported		4,335,550	3,984,135	—	525,207	469,708	306,521	656,893	—	10,278,014
Adjustment for the adoption of IAS27	2(1)	—	—	—	—	—	—	(6,443)	—	(6,443)
Share issuance costs		—	—	(14,035)	—	—	—	—	—	(14,035)
Profit for the year, restated	27	—	—	—	—	—	—	579,878	—	579,878
Originally reported		—	—	—	—	—	—	581,032	—	581,032
Adjustment for the adoption of IAS27	2(1)	—	—	—	—	—	—	(1,154)	—	(1,154)
Appropriation from retained earnings	20	—	—	—	59,071	29,535	—	(88,606)	—	—
Dividends relating to 2003		—	—	—	—	—	—	(455,233)	—	(455,233)
Balance at December 31, 2004, restated		<u>4,335,550</u>	<u>3,984,135</u>	<u>(14,035)</u>	<u>584,278</u>	<u>499,243</u>	<u>306,521</u>	<u>686,489</u>	<u>—</u>	<u>10,382,181</u>
Originally reported		4,335,550	3,984,135	(14,035)	584,278	499,243	306,521	694,086	—	10,389,778
Adjustment for the adoption of IAS27	2(1)	—	—	—	—	—	—	(7,597)	—	(7,597)
Balance at January 1, 2005		4,335,550	3,984,135	(14,035)	584,278	499,243	306,521	686,489	—	10,382,181
Share issuance costs		—	—	(12,972)	—	—	—	—	—	(12,972)
Adjustment related to fixed assets at Restructuring (Note a)	6	—	140,000	—	—	—	—	—	—	140,000
Profit for the year	27	—	—	—	—	—	—	599,569	—	599,569
Appropriation from retained earnings	20	—	—	—	61,060	30,530	—	(91,590)	—	—
Transfers		—	—	—	(3,995)	(6,592)	4,321	6,266	—	—
Dividends relating to 2004	29	—	—	—	—	—	—	(476,911)	—	(476,911)
Balance at December 31, 2005		<u>4,335,550</u>	<u>4,124,135</u>	<u>(27,007)</u>	<u>641,343</u>	<u>523,181</u>	<u>310,842</u>	<u>723,823</u>	<u>—</u>	<u>10,631,867</u>

Note a: During the year ended December 31, 2005, the Company recorded an adjustment, which should have been reflected in connection with the transfer of assets made by the Predecessor to the Company at Restructuring (see Note 1) to the carrying value of fixed assets and related reserve account (share premium). The amount was determined to be immaterial to previously reported financial statements.

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