

Financial Highlights

Item	2005	2004	Change
Annual	RMB million	RMB million	+/(-)%
Net interest income	31,591	25,192	25.40
Profit before tax	12,843	7,750	65.72
Net profit	9,249	1,604	476.62
Per share	RMB	RMB	+/(-)%
Basic and diluted earnings per share	0.22	0.06	266.67
Net asset value per share	1.81	1.33	36.09
As at the end of the year	RMB million	RMB million	+/(-)%
Shareholders' equity	83,082	52,103	59.46
Issued and paid-up share capital	45,804	39,070	17.24
Total assets	1,423,439	1,144,005	24.43
Financial ratios	%	%	+/(-)%
Return on average assets (<i>Note 1</i>)	0.72	N/A	N/A
Return on average shareholders' equity (<i>Note 2</i>)	13.68	N/A	N/A
Cost-to-income ratio (<i>Note 3</i>)	51.24	60.78	(9.54)
Impaired loan ratio (<i>Note 4</i>)	2.80	3.00	(0.20)
Tier-1 capital adequacy ratio (<i>Note 5</i>)	8.78	6.77	2.01
Capital adequacy ratio (<i>Note 5</i>)	11.20	9.72	1.48

Notes:

1. This is calculated based on net profit of the year divided by the average of total assets at the beginning and the end of the year;
2. This is calculated based on net profit of the year divided by the average of shareholders' equity balance at the beginning and the end of the year;
3. This represents other operating expenses as a percentage of the operating income (including net interest income, net fee and commission income, dividend income, gains less losses arising from trading activities, gains less losses arising from investment securities and other operating income);
4. This represents the balance of impaired loans at the end of the year divided by the total loan before provision;
5. This is calculated in accordance with China Banking Regulatory Commission ("CBRC") guidelines and based on PRC Generally Accepted Accounting Principles ("PRC GAAP").