

Summary of Accounting and Business Data

(Prepared in accordance with PRC Accounting Regulations)

Operating Results (Year Ended 31 December 2005)

	RMB million
Total profit	106
Income from Main Operation	2,905
Income from Other Operation	614
Income from Investments	7
Net Income outside Business	230

Major Accounting Data & Financial Indicators (Expressed in RMB Million)

	2005	2004	2003
1. Revenue from Main Operations	26,225.04	19,893.14	13,999.06
2. Net (Loss)/Profit	60.47	536.34	(825.97)
3. Total Assets	57,558.67	41,395.60	36,687.48
4. Shareholders Equity	5,814.57	5,798.17	5,226.91
5. (Loss)/Earning per Share (RMB)	0.0124	0.1102	(0.1697)
6. (Loss)/Earning per Share after deduction of extraordinary profit and loss (RMB)	(0.0583)	0.0481	(0.2069)
7. Net Assets per Share (RMB)	1.195	1.191	1.074
8. Return on Net Assets (%)	1.04	9.25	(15.80)
9. Net Assets per Share after adjustments (RMB)	1.0868	1.1209	1.0001
10. Net Amount of Cash Flow per Share Created by Business Operation (RMB)	0.81	0.87	0.83

* Non-frequented gains and losses (RMB)

Items	Year 2005	Year 2004
Subsidy income	149,108,390.50	60,536,787.13
Gains on disposal of fixed assets	6,186,375.87	46,093,303.51
Revenue of Sales in Advance of Carriage excesses settlement period	164,963,960.10	215,141,670.66
Other Operating Revenue	22,809,251.93	25,871,932.03
Less: Losses on disposal of fixed assets	5,424,324.81	31,140,310.64
Reversal of provision for impairment of construction-in-progress	(11,730,000.00)	-
Other Non-operating Expense	4,961,603.40	14,155,066.94
Total	344,412,050.19	302,348,315.75

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Notes:

1. The major accounting data and financial indicators in 2004 are adjusted pursuant to the same accounting policies in 2005.
2. Calculation of Major Financial Indicators:

Earning/(Loss) per Share = Net Profit/(Loss) ÷ Total Number of Ordinary Shares at the end of year

Net Assets per Share = Shareholders' Equity at the end of year ÷ Total number of Ordinary Shares at the end of year

Net Assets per Share after Adjustments = (Shareholders' Equity at the end of year – Accounts Receivable aged more than 3 years – Deferred & Prepaid Expenses – Net Loss on Assets (current and fixed) to be disposed of – Pre-operating expenses – Long-term Deferred & Prepaid Expenses – Negative Balance of housing fund) ÷ Total Number of Ordinary Shares at the end of year

Net Amount of Cash Flow per Share Created by Business Operation = Net Amount of cash flow created by Business Operation ÷ Total Number of Ordinary Shares at the end of year

Return on Net Assets = Net Profit/(Loss) ÷ Shareholders' Equity at the end of year × 100%

Changes in Shareholders' Equity (Expressed in RMB thousand)

	Share Capital	Capital Reserve	Surplus Reserve	Statutory Common Welfare Fund	Unallocated Profit	Shareholders' Equity Total
Beginning Balance	4,866,950	1,182,682	185,941	90,740	(534,738)	5,798,174
Increase, Current	–	94,438	26,671	8,722	60,474	84,244
Decrease, Current	–	40,354	–	–	27,495	67,849
Ending Balance	4,866,950	1,236,766	212,612	99,462	(501,759)	5,814,569

Increase in the capital reserve is mainly due to increase in the provision for investment in shareholdings and special appropriation.

Increase in the surplus reserve is due to increase in the profit after taxation of subsidiaries.

Even though these are provisions in surplus reserve, welfare and incentive fund of staff, the profit increase still results in an increase in the unallocated profit for the period.

Increase in shareholders' equity is mainly due to the profit for the period and increase in the capital reserve.