

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2006

	Attributable to equity holders of the Company					Subtotal <i>Rmb'000</i>	Minority Interests <i>Rmb'000</i>	Total <i>Rmb'000</i>
	Paid-in capital <i>Rmb'000</i>	Special reserve <i>Rmb'000</i> <i>(Note i)</i>	Statutory reserve <i>Rmb'000</i> <i>(Note ii)</i>	Translation reserve <i>Rmb'000</i>	Retained earnings <i>Rmb'000</i>			
At 1 January 2005	210,501	94,467	116,493	–	125,728	547,189	134,039	681,228
Profit (loss) for the period	–	–	–	–	238,403	238,403	(17,278)	221,125
Total recognised income and expenses for the period	–	–	–	–	238,403	238,403	(17,278)	221,125
Dividends <i>(Note 9)</i>	–	–	–	–	(198,420)	(198,420)	–	(198,420)
Distribution of paid-in capital	(10,500)	–	–	–	–	(10,500)	–	(10,500)
Purchase of additional interest in subsidiaries	–	–	–	–	–	–	(10,709)	(10,709)
Capital contribution from minority shareholders of subsidiaries	–	–	–	–	–	–	287,245	287,245
Disposal of subsidiaries	–	–	–	–	–	–	(10,843)	(10,843)
Acquisition of subsidiaries	–	–	–	–	–	–	112,787	112,787
At 30 June 2005	200,001	94,467	116,493	–	165,711	576,672	495,241	1,071,913
At 1 January 2006	–	(551)	116,743	–	549,746	665,938	197,195	863,133
Exchange differences arising on translation of foreign operations	–	–	–	7,599	–	7,599	–	7,599
Net income and expenses recognised directly in equity	–	–	–	7,599	–	7,599	–	7,599
Profit (loss) for the period	–	–	–	–	256,901	256,901	(11,907)	244,994
Total recognised income and expenses for the period	–	–	–	7,599	256,901	264,500	(11,907)	252,593
Transfer <i>(Note ii)</i>	–	–	31,004	–	(31,004)	–	–	–
Dividends <i>(Note 9)</i>	–	–	–	–	(401,645)	(401,645)	–	(401,645)
Capitalisation issue <i>(Note 20)</i>	102,976	–	–	–	(102,976)	–	–	–
Capital contribution from minority shareholders of subsidiaries	–	–	–	–	–	–	39,188	39,188
Disposal of subsidiaries	–	–	–	–	–	–	(6,524)	(6,524)
At 30 June 2006	102,976	(551)	147,747	7,599	271,022	528,793	217,952	746,745

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY *(Continued)*

FOR THE SIX MONTHS ENDED 30 JUNE 2006

Notes:

- (i) *The amount represents the net of the gain on disposal of subsidiaries and associates to related companies with common controlling shareholders being considered as capital contribution and recognised as a special reserve and the distribution to shareholders in excess of paid-in capital upon the Group Reorganisation as defined in note 1 to the condensed consolidated financial statements.*
- (ii) *The statutory reserve is non-distributable and the transfer to this reserve is determined by the board of directors in accordance with the relevant laws and regulations of the People's Republic of China ("the PRC"). This reserve can be used to offset accumulated losses and increase capital upon approval from the relevant authorities.*