

Financial Highlights

“TO BECOME THE LEADING MANUFACTURER IN THE INFRASTRUCTURE MACHINERY SECTOR THROUGH CONTINUOUS GROWTH AND SUSTAINABLE PROFITABILITY”

The table below sets forth the consolidated financial summary of China Infrastructure Machinery Holdings Ltd (the “Company”) and its subsidiaries (hereinafter collectively referred as to the “Group”)

	2006 RMB'000	2005 RMB'000	CHANGE (+ / -)
Turnover	3,717,939	2,678,496	+38.81%
Operating Profits	636,412	296,579	+114.58%
Profit attributable to shareholders of the parent	624,154	235,906	+164.58%
Total assets	2,841,808	2,074,313	+37.00%
Per share data	RMB	RMB	
Earnings per share ^{(1) #}	0.60	0.32	+87.50%
Net assets per share ^{(2) #}	1.71	1.56	+ 9.62%
Key performance indicators	%	%	
Profitability			
Overall gross margin	25.74	20.63	+ 5.11%
Net margin	16.82	8.84	+ 7.98%
EBITDA margin ⁽³⁾	18.08	12.10	+ 5.98%
Return on equity ⁽⁴⁾	35.17	20.50	+14.67%
Liquidity and solvency			
Current ratio ⁽⁵⁾	1.85X	1.67X	+ 0.18X
Interest coverage ratio ⁽⁶⁾	31.29X	9.64X	+21.65X
Gross debt-to-equity ratio ⁽⁷⁾	15.00	39.44	-61.97%
Net debt-to-equity ratio ⁽⁸⁾	7.73	4.10	+88.54%
Management efficiency	days	days	
Inventory turnover days ⁽⁹⁾	110	114	-4 days
Trade and bills payables turnover days ⁽¹⁰⁾	56	58	-2 days
Trade and bills receivable turnover days ⁽¹¹⁾	50	44	+6 days



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calculated based on the 1,037,050,000 shares outstanding as at 31 December 2006 (31 December 2005: 740,031,507).

- 1 Net profit attributable to shareholders of the Company for each year divided by the total number of outstanding shares as at the end of each year.
- 2 Total equity divided by the total number of outstanding shares as at the end of each year.
- 3 Earnings before interest, tax, depreciation and amortisation ("EBITDA") divided by turnover for each year.
- 4 Net profit attributable to shareholders of the Company for each year divided by total equity as at the end of each year.
- 5 Current assets divided by current liabilities as at the end of each year.
- 6 Earnings before interest and income tax expenses ("EBIT") divided by interest expenses.
- 7 Interest-bearing debt for each year divided by the total equity as at the end of each year.
- 8 Interest-bearing debt minus bank balances and cash for each year divided by the total equity as at the end of each year.
- 9 Average inventories divided by cost of sales and multiplied by 365 days.
- 10 Average trade and bills payables divided by cost of sales and multiplied by 365 days.
- 11 Average trade and bills receivables divided by turnover and multiplied by 365 days.