

Statement of Income and Profits Appropriation

For the year ended December 31, 2006

	NOTES	The Group		The Company	
		2006 RMB	2005 RMB	2006 RMB	2005 RMB
Revenue from principal operations	35	13,224,295,672	12,705,529,905	13,087,433,337	12,705,529,905
Less: Cost of principal operations	36	6,790,533,878	5,907,119,918	6,541,355,885	5,908,395,835
Sales taxes and surcharges	37	280,330,911	258,504,729	279,752,993	258,504,729
Profit from principal operations		6,153,430,883	6,539,905,258	6,266,324,459	6,538,629,341
Add: Profits from other operations	38	72,300,910	43,674,129	69,197,749	41,770,016
Less: Operating expenses	39	1,037,997,906	997,377,040	1,012,459,591	1,001,895,961
General and administrative expenses		2,118,379,216	1,627,752,362	1,859,115,762	1,603,012,619
Financial expenses	40	(36,136,609)	45,193,046	27,125,423	34,758,133
Operating profit		3,105,491,280	3,913,256,939	3,436,821,432	3,940,732,644
Add: Investment income	41	4,194,304	9,092,385	(324,978,456)	(20,638,842)
Subsidy income	42	4,000,000	–	4,000,000	–
Non-operating income	43	11,109,124	2,397,034	10,013,451	2,185,909
Less: Non-operating expenses	44	89,562,125	13,927,078	82,809,974	12,618,939
Total profits		3,035,232,583	3,910,819,280	3,043,046,453	3,909,660,772
Less: Income taxes	45	1,285,550,000	1,414,861,832	1,284,833,596	1,414,179,321
Minority interest		341,511	475,997	–	–
Net profit		1,749,341,072	2,495,481,451	1,758,212,857	2,495,481,451
Add: Unappropriated profits at the beginning of the year	34	5,843,971,924	4,522,052,692	5,844,288,508	4,522,369,276
Profits available for appropriation		7,593,312,996	7,017,534,143	7,602,501,365	7,017,850,727
Less: Appropriations to statutory common reserve fund	34	175,821,286	249,548,146	175,821,286	249,548,146
Appropriations to statutory common welfare fund	34	–	124,774,073	–	124,774,073
Profits available for appropriation to shareholders		7,417,491,710	6,643,211,924	7,426,680,079	6,643,528,508
Less: Dividend paid – cash dividend approved by the shareholders' meeting of last year	34	1,082,048,000	799,240,000	1,082,048,000	799,240,000
Unappropriated profits at the end of the year		6,335,443,710	5,843,971,924	6,344,632,079	5,844,288,508
Including: Cash dividend proposed after the balance sheet date	34	983,680,000	1,082,048,000	983,680,000	1,082,048,000

The accompanying notes are part of the financial statements.