

# Financial Highlights

## Financial Highlights

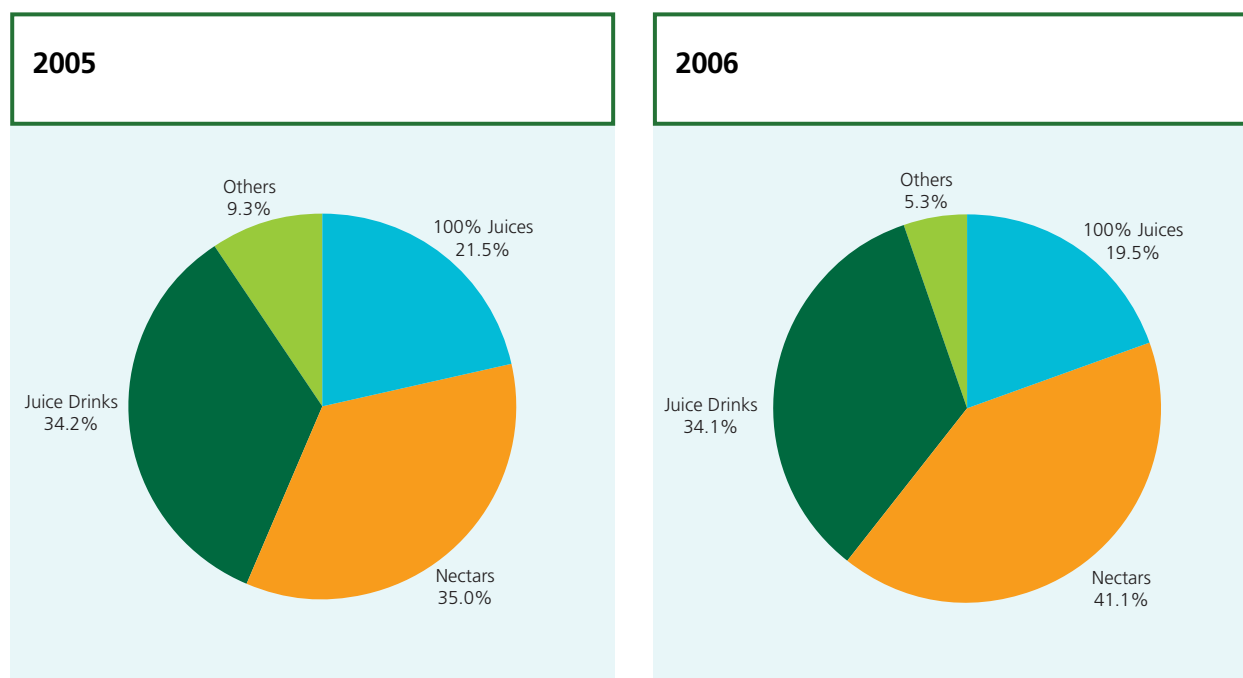
### – Comparison of results of 2006 and 2005

	For the year ended 31 December (RMB million)		
	2006	2005	Change %
Sales	<b>2,066.3</b>	1,392.1	48.4
Cost of sales	<b>(1,390.4)</b>	(917.9)	51.5
Gross profit	<b>675.9</b>	474.2	42.5
Operating profit	<b>286.0</b>	180.8	58.2
Profit before taxation	<b>230.7</b>	138.4	66.7
Profit attributable to equity holders	<b>221.6</b>	107.5	106.1
Earnings per share (RMB)	<b>0.268</b>	0.130	106.1

Note:

The calculation of earnings per share is based on the profit attributable to equity holders for the year ended 31 December 2006 of RMB221,611,000 (2005: RMB107,509,000) and a total of 828,425,000 ordinary shares in issue immediately before the issue of shares under the global offering of the Company and the exercise of the Danone Top-up Right.

## Sales By Product



## Financial Highlights

### Financial ratio

	For the year ended 31 December		
	2006	2005	change
Return on capital	<b>14.3%</b>	6.9%	107.2%
Return on assets	<b>6.3%</b>	2.9%	117.2%
Gearing ratio (total debt/total equity)	<b>56.5%</b>	47.3%	19.5%

### Operating ratio

	For the year ended 31 December		
	2006	2005	change
Turnover of finished goods	<b>16 days</b>	29 days	-13 days
Turnover of raw materials	<b>148 days</b>	176 days	-28 days
Turnover of trade receivables	<b>27 days</b>	31 days	-4 days
Turnover of trade payables	<b>69 days</b>	94 days	-25 days

### Four-year financial summary

	For the year ended 31 December (RMB million)			
	2006	2005	2004	2003 <sup>(1)</sup>
<b>Results</b>				
Sales	<b>2,066.3</b>	1,392.1	1,158.6	130.1
Gross profit	<b>675.9</b>	474.2	406.0	33.1
Profit/(loss) for the year	<b>221.0</b>	110.2	23.2	(15.7)
Gross profit margin	<b>32.7%</b>	34.1%	35.0%	25.4%
Net profit margin	<b>10.7%</b>	7.9%	2.0%	N/A
Profit/(loss) attributable to equity holders of the Company	<b>221.6</b>	107.5	18.3	(13.8)
<b>Assets, liabilities and equity</b>				
Total assets	<b>3,496.4</b>	3,776.0	3,670.5	3,518.5
Total liabilities	<b>1,949.0</b>	2,162.3	2,183.5	2,184.1
Equity attributable to equity holders of the Company	<b>1,547.4</b>	1,555.4	1,367.1	1,252.1
Minority interests	-	58.3	119.9	82.4

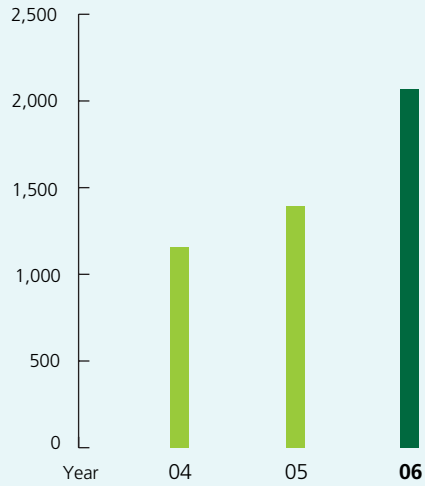
Note:

- Our results for 2003 are not comparable to our results for 2004, 2005 and 2006. For further information, see section headed "Financial Information – Factors affecting comparability" as set out in the Prospectus.

## Financial Highlights

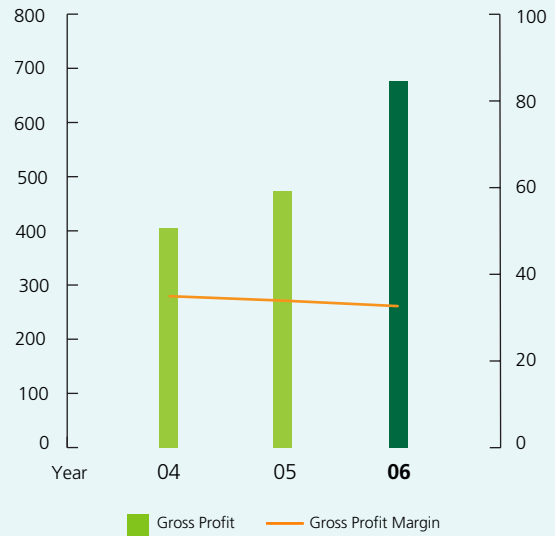
### Sales

(RMB million)



### Gross Profit

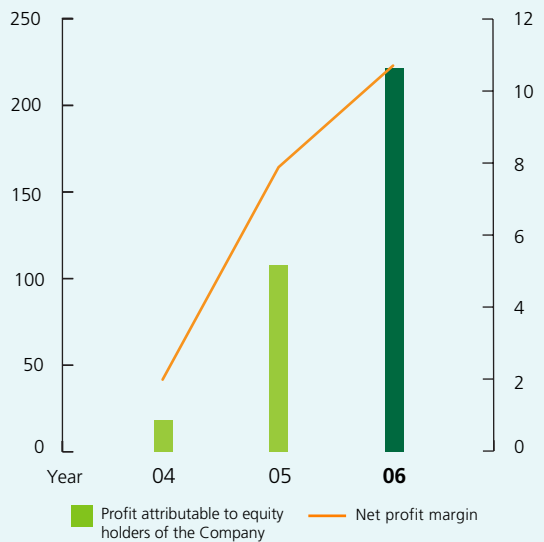
(RMB million)



### Profit Attributable to Equity Holders of the Company

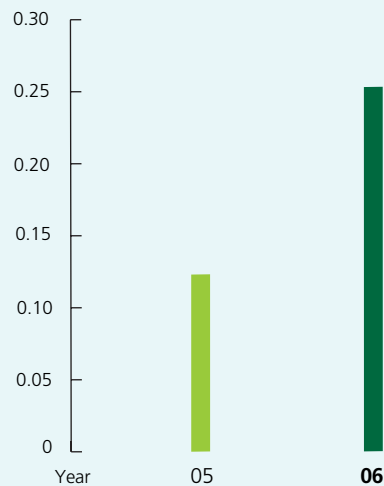
(RMB million)

(%)



### Earnings per Share *(Note)*

(RMB Yuan)



*Note:* The calculation of earnings per share is based on the profit attributable to equity holders for the year ended 31 December 2006 of RMB221,611,000 (2005: RMB107,509,000) and a total of 828,425,000 ordinary in issue immediately before the issue of shares under the global offering of the Company and the exercise of the Danone Top-up Right.