

## FINANCIAL HIGHLIGHTS

<b>Results for the year</b>	<b>2006</b> (in millions of RMB)	2005 (in millions of RMB)	Change +/(-)%
Operating income	<b>24,866</b>	19,214	29.42
Profit before tax	<b>10,084</b>	6,462	56.05
Net profit attributable to the Bank's equity holders	<b>6,794</b>	3,749	81.22
<b>Per share</b>	(in RMB)	(in RMB)	+/(-)%
Dividend <sup>(1)</sup>	<b>0.12</b>	0.08	50.00
Basic earnings	<b>0.53</b>	0.34	55.88
Diluted earnings	<b>0.53</b>	0.33	60.61
Year-end net assets value	<b>3.75</b>	2.51	49.40
<b>Year end (as at 31 December)</b>	(in millions of RMB)	(in millions of RMB)	+/(-)%
Total shareholders' equity	<b>55,160</b>	25,998	112.17
Share capital	<b>14,703</b>	10,374	41.73
Total assets	<b>934,102</b>	734,613	27.16
Risk-weighted assets	<b>551,503</b>	423,312	30.28
<b>Financial Ratios</b>	(%)	(%)	+/(-)
<b>Profitability ratios</b>			
Return on average assets (after tax)	<b>0.81</b>	0.57	0.24
Return on average equity (after tax)	<b>16.74</b>	15.64	1.10
Net interest spread	<b>2.69</b>	2.67	0.02
Net interest margin	<b>2.72</b>	2.69	0.03
As a percentage of operating income			
– Net interest income	<b>86.50</b>	86.61	(0.11)
– Non-interest income	<b>13.50</b>	13.39	0.11
Cost-to-income ratio <sup>(2)</sup>	<b>38.28</b>	41.10	(2.82)
<b>Capital adequacy ratio</b>			
Core capital adequacy ratio	<b>9.58</b>	5.57	4.01
Capital adequacy ratio	<b>11.40</b>	9.01	2.39
Total equity to total assets	<b>5.91</b>	3.54	2.37
<b>Asset quality ratios</b>			
Non-performing loan ratio <sup>(3)</sup>	<b>2.12</b>	2.58	(0.46)
Allowances for loan impairment losses to non-performing loans	<b>135.61</b>	111.04	24.57
Allowances for loan impairment losses to total loans and advances to customers	<b>2.88</b>	2.86	0.02

<sup>(1)</sup> Dividend per share of RMB0.12 in 2006 will be submitted to the annual general meeting of shareholders. The RMB0.08 dividend per share in 2005 did not include special dividend (RMB1.8 for every 10 shares).

<sup>(2)</sup> Cost-to-income ratio is the operating expenses minus business tax and surcharge, and then divided by the operating income.

<sup>(3)</sup> Non-performing loan ratio is total non-performing loans divided by total loans and advances to customers.