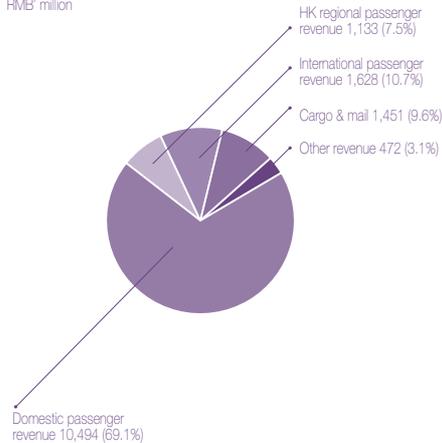


## 4 Financial Highlights

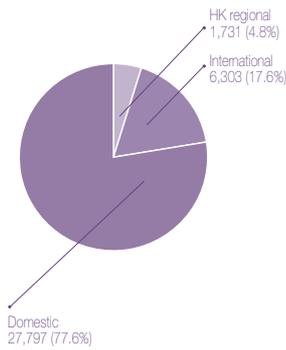
### Total Revenue

2000  
RMB' million



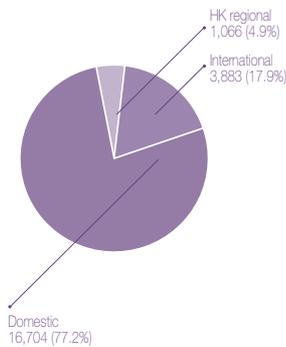
### Passenger Traffic Capacity (Available Seat Kilometres ("ASKs"))

2000  
ASK million



### Passenger Traffic (Revenue Passenger Kilometres ("RPKs"))

2000  
RPK million



The Board of Directors of the Company is pleased to present below the consolidated results of the Group for the year ended 31 December, 2000, prepared in accordance with International Accounting Standards ("IAS"), together with the comparative figures for the corresponding period in 1999. The following consolidated results should be read in conjunction with the consolidated financial statements and the Report of the International Auditors contained in this annual report ("Annual Report").

### Consolidated Profit and Loss Account

	For the year ended 31 December,		2000 vs 1999		Increase/ (decrease) %
	2000 RMB'000	1999 RMB'000	2000 HK\$'000	2000 US\$'000	
Traffic revenue:					
Passenger	13,254,714	11,819,160	12,495,017	1,601,178	12.1
Cargo and mail	1,451,445	1,005,886	1,368,255	175,336	44.3
	14,706,159	12,825,046	13,863,272	1,776,514	14.7
Other revenue	472,159	474,618	445,097	57,037	(0.5)
Total operating revenue	15,178,318	13,299,664	14,308,369	1,833,551	14.1
Operating expenses:					
Flight operations	6,109,021	4,412,554	5,758,881	737,974	38.4
Maintenance	1,758,581	1,405,504	1,657,788	212,438	25.1
Aircraft and traffic servicing	2,069,114	1,875,740	1,950,522	249,950	10.3
Promotion and sales	1,377,682	1,184,456	1,298,720	166,425	16.3
General and administrative	809,225	754,647	762,844	97,755	7.2
Depreciation and amortisation	1,863,789	1,807,619	1,756,965	225,147	3.1
Other	8,805	9,215	8,300	1,064	(4.4)
Total operating expenses	13,996,217	11,449,735	13,194,020	1,690,753	22.2
Operating profit	1,182,101	1,849,929	1,114,349	142,798	(36.1)

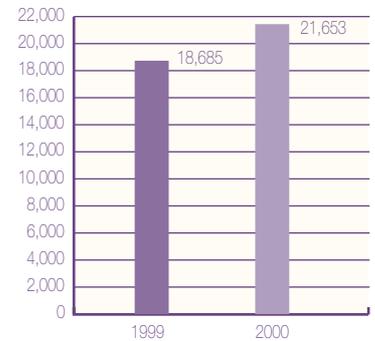
**Consolidated Profit and Loss Account (cont'd)**

	For the year ended 31 December,				2000 vs 1999 Increase/ (decrease) %
	2000 RMB'000	1999 RMB'000	2000 HK\$'000	2000 US\$'000	
Non-operating income/(expenses):					
Share of associated companies' results	45,949	36,061	43,315	5,551	27.4
Profit on sale of long term investments	—	16,804	—	—	(100.0)
Profit/(loss) on sale of fixed assets	372,596	(18,640)	351,241	45,010	2,098.9
Interest income	90,283	107,385	85,108	10,906	(15.9)
Interest expense	(1,074,236)	(1,192,179)	(1,012,666)	(129,768)	(9.9)
Exchange gain/(loss), net	318,502	(426,535)	300,247	38,475	174.7
Other, net	(3,965)	(4,280)	(3,738)	(479)	(7.4)
Total non-operating expenses	(250,871)	(1,481,384)	(236,493)	(30,305)	(83.1)
Profit before taxation and minority interests	931,230	368,545	877,856	112,493	152.7
Taxation	(338,907)	(128,023)	(319,482)	(40,940)	164.7
Profit before minority interests	592,323	240,522	558,374	71,553	146.3
Minority interests	(90,552)	(158,124)	(85,362)	(10,939)	(42.7)
Profit attributable to shareholders	501,771	82,398	473,012	60,614	509.0
Basic earnings per share	RMB0.15	RMB0.02	HK\$0.14	US\$0.018	509.0

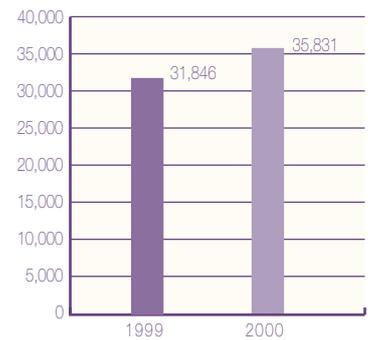
Note: The above consolidated profit and loss account has been prepared in Renminbi ("RMB"), the national currency of the PRC. Translations of amounts from RMB into Hong Kong dollars ("HK\$") and United States dollars ("US\$") solely for the convenience of readers have been made at the rates of HK\$1.00 to RMB1.0608 and US\$1.00 to RMB8.2781, being the average of the buying and selling rates as quoted by the People's Bank of China at the close of business on 31 December, 2000. No representation is made that the RMB amounts could have been or could be converted into HK\$ or US\$ at these rates or at any other certain rates on 31 December, 2000 or on any other date.

**Passenger Traffic (RPK)**

million


**Passenger Capacity (ASK)**

million


**Cost (Cost Per ASK)**

RMB

