

1. Prepared under PRC accounting standards

	RMB'000
Total profit (loss)	(715,651)
Net profit (loss)	(725,870)
Net profit (loss) after exclusion of exceptional items (Note)	(3,537)
Profit from principal operations	104,559
Profit from other operations	4,747
Profit (loss) from operations	(745,445)
Investment Income	1,133
Subsidy income	65,010
Net non-operating results	(36,349)
Net cash flow from operating activities	23,914
Net increase(decrease) of cash and cash equivalent	(305,386)

Note: The nature and amount of exceptional items excluded are as follows:

Additional provision for non-recovery of trust deposits	RMB350,433,000
Provision for foreseeable losses on construction contract losses	RMB326,432,000
Provision for penalty for China Railroad containers	RMB45,468,000

2. Prepared under Hong Kong generally accepted accounting principles

	RMB'000
Profit (loss) before taxation	(721,762)
Profit (loss) attributable to shareholders	(728,710)

(II) Major accounting data and financial indicators of last five years

1、Prepared under PRC accounting standards

(IV) Supplementary profit statement prepared pursuant to “Regulations on Disclosure Information by Companies with Listed Securities (No.9)” promulgated by China Securities Regulatory Committee.

	Return on net assets ratio (%)		Earnings (loss) per share (RMB)	
	Fully diluted	Weighted average	Fully diluted	Weighted average
Profit (loss) during the period under review				
Profit from principal operations	16.63	10.57	0.21	0.21
Profit (loss) from operations	(118.55)	(75.38)	(1.51)	(1.51)
Net profit (loss)	(115.43)	(73.40)	(1.47)	(1.47)
Net profit (loss) after deduction of exceptional items	(0.56)	(0.36)	(0.01)	(0.01)

Methods for calculating fully diluted return on net assets ratio and earnings (loss) per share are as follows:

Fully diluted return on net assets ratio = Profit (loss) during the period under review ÷ Net assets at period end

Fully diluted earnings (loss) per share = Profit (loss) during the period under review ÷ Total number of ordinary shares at period end

Method for calculating the weighted average return on net assets ration (ROE) is as follows:

$$(\text{ROE}) = \frac{\text{Profit (loss) during the period under review (P)}}{(\text{E}_0 + \text{NP} \div 2 + \text{E}_i \times \text{Mi} \div \text{Mo} - \text{E}_j \times \text{Mj} \div \text{Mo})}$$

Among them:

P represents the profit (loss) during the period under review;

NP represents the net profit (loss) during the period under review;

E₀ represents net assets at beginning of the period;

E_i represents additions in net assets arising from new issue or debt equity swap and so on;

Ej represents reductions in net assets during the period under review arising from repurchase of shares and cash dividends and so on;

Mo represents the number of month during the period under review;

Mi represents the number of month between the following month of additions in net assets to the end of the period under review;

Mj represents the numbers of month between the following month of reductions in net assets to the end of the period under review.

Method for calculating the weighted average earnings (loss) per share (EPLS) is as follows:

$$(EPLS) = \frac{\text{Profit (loss) during the period under review (P)}}{(\text{So} + \text{S1} + \text{Si} \times \text{Mi} \div \text{Mo} - \text{Sj} \times \text{Mj} \div \text{Mo})}$$

Among them:

P represents profit (loss) during the period under review;

So represents total number of shares at the beginning of the period under review;

S1 represents the number of new shares during the period under review because of conversion of shares from reserves or distribution of bonus shares and so on;

Si represents the number of shares increased during the period under review arising from new issue or debt equity swap;

Sj represents the number of shares reduced during the period under review arising from repurchase of shares or capital reduction and so on;

Mo represents the number of months during the period under review;

Mi represents the number of months between the following month of increase (decrease) in shares to the end of the period under review;

Mj represents the number of months between the following month of decrease to the end of the period under review.

(V) Principal activities summary

The turnover (note 1) and the results from the principal activities of the Group during the year under review are as follows:

Principal activities	Year ended 31st December, 2000			Year ended 31st December, 1999		
	Turnover		Gross profit (loss)	Turnover		Gross profit
	RMB'000	Percentage (%)		RMB'000	Percentage (%)	
Shipbuilding	1,490,201	67.06	52,623	1,560,937	68.42	234,467
Container manufacturing	520,549	23.42	32,298	439,766	19.28	32,171
Shiprepairing	21,064	0.95	2,086	9,909	0.43	1,289
Large steel structure	76,902	3.46	(15)	149,601	6.56	12,178
FRP boats and high speed boats	7,868	0.35	1,736	3,655	0.16	1,079
Terrestrial machinery and others	105,686	4.76	22,444	117,488	5.15	16,150
	2,222,270	100	111,172 4,747	2,281,357	100	297,334 7,577
Other activities profit						
Provision for inventories realization			326,405			4,377
Operating expenses (note 2)			528,346			305,622
Business tax and surcharge			6,613			8,437
Investment income			1,133			1,570
Subsidy income			65,010			32,982
Net non-operating income / expenses			(36,349)			(1,678)

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Total profit (loss) (under PRC accounting standards)	(715,651)	19,350
Reconciling items		
-Separate disclosure of share of associated companies' taxation	(59)	75
-Staff welfare fund appropriation	(231)	(414)
-Adjustments of previous years' results	1,749	(146)
-Pre-operating expenses written off	(7,570)	-
Profit (loss) before taxation (under Hong Kong generally accepted accounting principles)	(721,762)	18,865

Notes:

- 1、 The definition of turnover, which represents the income from principal operations prepared under PRC accounting standards and the turnover prepared under Hong Kong generally accepted accounting principles, is set out in note 15 on page 44 and note 1 (e) on page 83 to the Financial Statements respectively.
- 2、 Operating expenses, which include selling, administrative and financial expenses, represent non-distinctive amounts incurred when engaged in the various principal activities. As operating expenses incurred did not have a direct correlation with the respective activities, it is impracticable to analyze these expenses by activities.