

SUMMARY OF FINANCIAL AND OPERATING RESULTS

1. KEY ACCOUNTING DATA FOR THE YEAR ENDED 31 DECEMBER 2001 PREPARED IN ACCORDANCE WITH PRC ACCOUNTING STANDARDS (AUDITED)

| Items | 2001 <i>RMB</i> |
|---|--------------------|
| Profit before taxation | 97,258,568 |
| Profit after taxation | 80,896,146 |
| Profit after taxation and extraordinary items | 80,896,146 |
| Profit from principal operations | 325,895,655 |
| Profit from other operations | 4,898,672 |
| Operating profit | 98,608,665 |
| Investment gain | 3,035,148 |
| Allowance | - |
| Non-operating income/(loss) | (4,385,246) |
| Net cash flow from operating activities | (13,715,212) |
| Net increase in cash and cash equivalents | 337,804,323 |

2. FINANCIAL SUMMARY

The following is a summary of the profit and loss accounts and balance sheets for the five years ended 31 December 2001 prepared (i) in accordance with Hong Kong Generally Accepted Accounting Principles ("HKGAAP"); and (ii) in accordance with PRC accounting standards, respectively.

(I) IN ACCORDANCE WITH HKGAAP (AUDITED)

Profit and loss accounts

| | 2001 <i>RMB</i> | 2000 <i>RMB</i> | 1999 <i>RMB</i> | 1998 <i>RMB</i> | 1997 <i>RMB</i> |
|------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Turnover | 1,099,289,000 | 1,044,073,000 | 950,661,000 | 973,884,000 | 915,631,000 |
| Profit before taxation | 98,097,000 | 83,404,000 | 68,268,000 | 65,027,000 | 96,102,000 |
| Taxation | (16,307,000) | (15,512,000) | (10,400,000) | (10,239,000) | (14,966,000) |
| Profit after taxation | 81,790,000 | 67,892,000 | 57,868,000 | 54,788,000 | 81,136,000 |

| | | | | | |
|-------------------------------------|--------------|--------------|--------------|--------------|--------------|
| Minority interests | (44, 000) | (66, 000) | (30, 000) | - | - |
| Profit attributable to shareholders | 81, 746, 000 | 67, 826, 000 | 57, 838, 000 | 54, 788, 000 | 81, 136, 000 |

Balance sheets

| | 2001 | 2000 | 1999 | 1998 | 1997 |
|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | <i>RMB</i> | <i>RMB</i> | <i>RMB</i> | <i>RMB</i> | <i>RMB</i> |
| Total assets | 1, 837, 248, 000 | 1, 354, 079, 000 | 1, 377, 136, 000 | 1, 305, 449, 000 | 1, 249, 279, 000 |
| Total liabilities | 452, 432, 000 | 387, 341, 000 | 461, 131, 000 | 433, 098, 000 | 401, 629, 000 |
| Net assets | 1, 384, 816, 000 | 966, 738, 000 | 916, 005, 000 | 872, 351, 000 | 847, 650, 000 |

The total liabilities and net assets from 1997 to 2000 were restated with the effect of adopting Statement of Standard Accounting Practice 9 (revised) issued by the Hong Kong Society of Accountants.

(II) IN ACCORDANCE WITH PRC ACCOUNTING STANDARDS (AUDITED)

| | 2001 | 2000 | 1999 | 1998 | 1997 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| | <i>RMB</i> | <i>RMB</i> | <i>RMB</i> | <i>RMB</i> | <i>RMB</i> |
| Income from principal operations | 1, 099, 258, 491 | 1, 044, 072, 799 | 950, 661, 234 | 973, 884, 000 | 915, 631, 000 |
| Profit after taxation | 80, 896, 146 | 69, 119, 387 | 63, 609, 740 | 52, 783, 000 | 84, 465, 000 |
| Total assets | 1, 836, 720, 321 | 1, 362, 726, 773 | 1, 384, 267, 611 | 1, 300, 588, 000 | 1, 217, 366, 000 |
| Shareholders' equity (excluding minority interests) | 1, 340, 523, 930 | 925, 696, 192 | 890, 784, 569 | 849, 905, 000 | 805, 843, 000 |
| Earnings per share | | | | | |
| Fully diluted | 0.177 | 0.162 | 0.149 | 0.124 | 0.198 |
| Weighted average | 0.185 | 0.162 | 0.149 | 0.124 | 0.200 |
| Net assets per share | 2.931 | 2.166 | 2.080 | 1.990 | 1.890 |
| Adjusted net assets per share | 2.931 | 2.166 | 2.060 | 1.990 | 1.890 |
| Net cash flow from operating activities per share | (0.030) | 0.392 | 0.120 | 0.170 | - |
| Return on equity (%) | 6.030 | 7.470 | 7.140 | 6.210 | 10.500 |

(III) APPENDIX TO THE PROFIT AND LOSS ACCOUNTS PREPARED IN ACCORDANCE WITH PRC ACCOUNTING STANDARDS (AUDITED)

| Reported Profit | Return on equity (%) | | | | Earnings per share (RMB) | | | |
|---|----------------------|-------|------------------|-------|--------------------------|-------|------------------|-------|
| | Fully diluted | | Weighted average | | Fully diluted | | Weighted average | |
| | 2001 | 2000 | 2001 | 2000 | 2001 | 2000 | 2001 | 2000 |
| Profit from principal operations | 24.31 | 32.65 | 26.95 | 33.28 | 0.713 | 0.707 | 0.746 | 0.707 |
| Operating profit | 7.35 | 9.34 | 9.00 | 9.52 | 0.216 | 0.202 | 0.226 | 0.202 |
| Profit after taxation | 6.03 | 7.47 | 7.44 | 7.61 | 0.177 | 0.162 | 0.185 | 0.162 |
| Profit after taxation and extraordinary items | 6.03 | 7.47 | 7.44 | 7.61 | 0.177 | 0.162 | 0.185 | 0.162 |

There has been no change in the share capital of the Company from the end of the financial year to the publication date of the announcement of the results for 2001.

3. RECONCILIATION OF NET PROFIT PREPARED IN ACCORDANCE WITH PRC ACCOUNTING STANDARDS AND HKGAAP (AUDITED)

Net profit for the year ended 31 December 2001 was RMB80,896,146 when prepared in accordance with PRC accounting standards, and net profit (profit attributable to shareholders) was RMB81,746,000 when prepared in accordance with HKGAAP.

| | 2001 RMB |
|---|-------------|
| Net profit prepared in accordance with PRC accounting standards | 80,896,146 |
| HKGAAP adjustments: | |
| (1) Additional depreciation charges due to revaluation on 30 September 1996 | (1,837,000) |
| (2) Overprovision of education fund | 1,109,854 |
| (3) Overprovision of welfare expenses | 1,577,000 |
| Net profit (profit attributable to shareholders) prepared in accordance with HKGAAP | 81,746,000 |

4. CHANGE OF SHAREHOLDERS' EQUITY UNDER PRC ACCOUNTING STANDARDS (AUDITED)

| | Share capital <i>RMB</i> | Capital surplus <i>RMB</i> | Surplus reserve <i>RMB</i> | Welfare reserve <i>RMB</i> | Undistributed profit <i>RMB</i> | Shareholders' equity <i>RMB</i> |
|---------------------------|------------------------------------|----------------------------------|----------------------------------|----------------------------------|---------------------------------------|---------------------------------------|
| As at 1 January 2001 | 427,312,830 | 218,402,458 | 113,462,311 | 18,815,386 | 166,518,592 | 925,696,191 |
| Increased | 30,000,000 | 340,516,619 | 20,390,214 | 4,100,200 | 23,920,906 | 414,827,739 |
| Decreased | - | - | - | - | - | - |
| As at 31 December 2001 | 457,312,830 | 558,919,077 | 133,852,525 | 22,915,586 | 190,439,498 | 1,340,523,930 |
| Reasons for changes | Issue of additional A Shares | Premium of A Shares | Distribution of profit | Distribution of profit | Distribution of profit | Transfer |