

The following consolidated financial information is extracted from the consolidated financial statements of the Group, prepared under IAS.

### Consolidated Profit and Loss Account Data

(in million, except per share data)

|   | 2001<br>RMB     | Year ended 31 December, |             |             |             |
|---|-----------------|-------------------------|-------------|-------------|-------------|
|   |                 | 2000<br>RMB             | 1999<br>RMB | 1998<br>RMB | 1997<br>RMB |
| Operating revenue                                       | <b>16,880</b>   | 15,178                  | 13,300      | 11,849      | 12,821      |
| Operating expenses                                      | <b>(15,479)</b> | (13,996)                | (11,450)    | (11,259)    | (10,479)    |
| Operating profit  | <b>1,401</b>    | 1,182                   | 1,850       | 590         | 2,342       |
| Share of associated companies' results                  | <b>53</b>       | 46                      | 36          | (2)         | 68          |
| Share of jointly controlled entity's results            | <b>(4)</b>      | —                       | —           | —           | —           |
| Gain on sale of long term investments                   | <b>—</b>        | —                       | 17          | —           | —           |
| (Loss)/gain on sale of fixed assets                     | <b>(56)</b>     | 373                     | (19)        | 183         | 37          |
| Interest income   | <b>50</b>       | 90                      | 107         | 226         | 239         |
| Interest expense  | <b>(934)</b>    | (1,074)                 | (1,192)     | (1,197)     | (1,194)     |
| Exchange gain/(loss), net                               | <b>297</b>      | 319                     | (427)       | (366)       | 326         |
| Other, net  | <b>(11)</b>     | (5)                     | (4)         | (21)        | 115         |
| Profit/(loss) before taxation<br>and minority interests | <b>796</b>      | 931                     | 368         | (587)       | 1,933       |
| Taxation  | <b>(321)</b>    | (339)                   | (128)       | 178         | (538)       |
| Minority interests                                      | <b>(135)</b>    | (90)                    | (158)       | (106)       | (264)       |
| Profit/(loss) attributable to shareholders (Note 1)     | <b>340</b>      | 502                     | 82          | (515)       | 1,131       |
| Basic earnings/(loss) per share (Note 2)                | <b>0.10</b>     | 0.15                    | 0.02        | (0.15)      | 0.42        |

Notes:

1. During 1999, the Group changed its IAS accounting policy in respect of the recognition of aircraft overhaul expense. Such change was reflected in the consolidated financial statements on a retrospective basis with restatement of the relevant balances for the relevant prior periods.

The restatement resulted in a decrease in profit attributable to shareholders for 1997 of RMB11 million; a decrease in loss attributable to shareholders for 1998 of RMB29 million; and an increase in profit attributable to shareholders for 1999 of RMB22 million.

2. Basic earnings/(loss) per share for the five years ended 31 December, 1997, 1998, 1999, 2000 and 2001 are computed by dividing profit/(loss) attributable to shareholders for the respective years by the weighted average number of shares in issue of 2,687,111,436 shares during 1997 and 3,374,178,000 shares during 1998 to 2001.

**Consolidated Balance Sheet Data***(in million)*

|  |               | <b>As of 31 December,</b> |        |        |        |
|--|---------------|---------------------------|--------|--------|--------|
|  | <b>2001</b>   | 2000                      | 1999   | 1998   | 1997   |
|  | <b>RMB</b>    | RMB                       | RMB    | RMB    | RMB    |
| Cash and cash equivalents                                | <b>2,818</b>  | 4,197                     | 4,588  | 4,104  | 6,458  |
| Other current assets                                     | <b>1,560</b>  | 1,692                     | 1,715  | 2,080  | 1,718  |
| Fixed assets   | <b>22,710</b> | 23,645                    | 24,501 | 23,200 | 21,023 |
| Total assets   | <b>30,653</b> | 30,924                    | 32,558 | 32,083 | 32,543 |
| Bank and other loans, current portion                    | <b>2,178</b>  | 783                       | 613    | 667    | 984    |
| Obligations under finance leases,<br>current portion     | <b>1,452</b>  | 1,776                     | 2,000  | 1,120  | 1,376  |
| Bank and other loans, non-current portion                | <b>3,628</b>  | 3,789                     | 4,424  | 5,033  | 4,903  |
| Obligations under finance leases,<br>non-current portion | <b>7,692</b>  | 9,416                     | 11,491 | 11,845 | 11,428 |
| Shareholders' equity                                     | <b>9,222</b>  | 8,881                     | 8,380  | 8,297  | 8,812  |