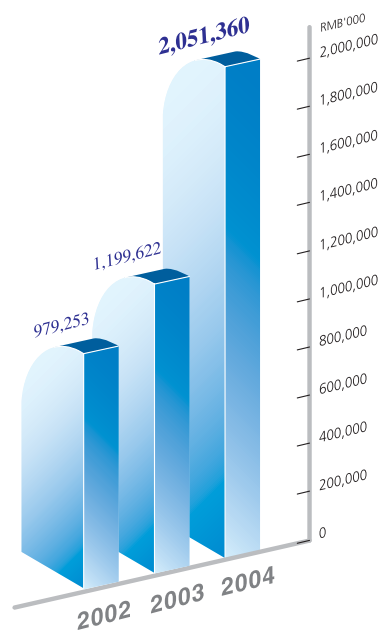


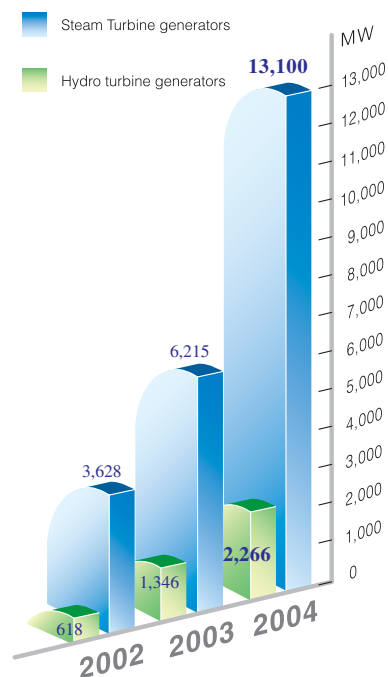
Major Accounting Data and Business Data

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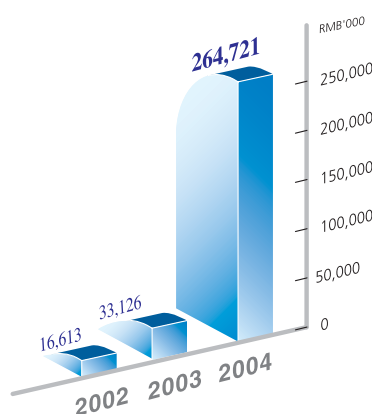
Revenue from principal operations



Production volume of power-generating equipment



Net profit



(1) MAJOR FINANCIAL DATE FOR THE REPORTING PERIOD

Unit: RMB'000

Total profit	323,892
Net profit	264,721
Net profit after deducting non-recurring profit and loss items	248,356
Profit from principal operations	729,262
Profit from other operations	24,955
Operating profit	322,280
Investment income	-373
Subsidy income	14
Net non-operating income	1,970
Net cash flow from operating activities	2,515,137
Net increase in cash and cash equivalents	1,708,777

Major Accounting Data and Business Data *(continued)*

(2) RECONCILIATION FOR FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH ACCOUNTING PRINCIPLES GENERALLY ACCEPTED IN HONG KONG (“HK GAAP”) AND PRC ACCOUNTING STANDARDS (“PRC GAAP”)

Unit: RMB

	Notes	Net assets 2004.12.31	Net profit 2004
Net assets/net profit as reported in accordance with HK GAAP		1,217,758,878.40	252,587,558.87
Adjustments:			
—capital reserve	1	53,141,269.04	—
—Non-operating income			15,757,262.43
Including: Difference arising from fixed assets acquired by specific fund granted to three-tier enterprises for removal and renovation	1		(2,186,571.72)
Difference arising from fixed assets acquired by specific fund for environment protection	1		(20,689.66)
Accounts payable which are not obligated to repay	2(1)		(732,737.19)
Difference from provision for impairment loss of fixed assets	2(2)		18,697,261.00
—Investment income	3	(958,673.37)	(4,304,476.93)
—Others		(2,497.36)	680,295.25
Net amount of increase/(decrease)		52,180,098.31	12,133,080.75
Net assets/net profit as reported in accordance with PRC GAAP		1,269,938,976.71	264,720,639.62

Note 1. Capital Reserve

As mentioned in Note 28 to Consolidated Financial Statement, the Company has utilized the specific fund granted to “Three-tier Enterprises” for removal and renovation and the specific fund for environmental protection which amounted to RMB55,148,530.42 and RMB200,000.00 respectively, totaling RMB55,348,530.42 during the year. The said amounts were transferred from Specific Payables into Capital Reserve account. The PRC auditors concurred that the above accounting treatment is in accordance with the Accounting Standards for Enterprises and Accounting Systems for Enterprises and their supplementary rules of the PRC. However, in accordance with the Accounting Principles Generally Accepted in Hong Kong, the Hong Kong auditors have adjusted the specific fund granted to “Three-tier Enterprises” for removal and renovation and the specific fund for environmental protection to “Deferred income” account. The deferred income was released to the income statement over the life expectancy of the relevant assets, and the amounts accounted for during the year were RMB2,186,571.72 and RMB 20,689.66 respectively. The closing balance of capital reserve was therefore decreased by RMB53,141,269.04 accordingly.

Note 2. Non-operating income

- (1) As mentioned in Note 28 to Consolidated Financial Statement, the Company transferred RMB732,737.19 that was not obligated to repay from Accounts Payable to Capital Reserve according to the Accounting Standards for Enterprises, Accounting System for Enterprises and the supplementary rules of the PRC. In accordance with the Accounting Principles Generally Accepted in Hong Kong, the accounts payable that was not obligated to repay are recognized in the income statement in the current period.
- (2) In accordance with the Accounting Standards for Enterprises, Accounting System for Enterprises and the supplementary rules of the PRC, the buildings obtained from debt restructuring in 2002 was stated at the original book value of the debts. While in accordance with Accounting Principles Generally Accepted in Hong Kong, the buildings obtained from debt restructuring were stated at their fair value. During the year, a provision for impairment loss amounted to RMB 18,697,261.00 was made by the Hong Kong auditors at their fair value.

Major Accounting Data and Business Data *(continued)*

Note 3. Investment income

- (1) In accordance with Accounting Principles Generally Accepted in Hong Kong, the difference on equity investment in subsidiaries is one-off recognized in the income statement of the current year upon its arising. In accordance with Accounting Standards for Enterprises and Accounting System for Enterprises of the PRC, the difference on equity investment is amortized over 10 years, thus increasing the Company's net profit by RMB 375,616.05 for the year.
- (2) As mentioned in Note 11(4) to the consolidated financial statements, the Company injected monetary fund to replace the assets in kind as capital contribution to subsidiaries. In accordance with the Accounting Standards for Enterprises and Accounting System for Enterprises and the supplementary rules of the PRC, the previous years' difference on equity investment amounting to RMB4,680,092.98 was reversed. While in accordance with Accounting Principles Generally Accepted in Hong Kong, the previous years' difference on equity investment that was one-off recognized in the income statement in that year upon its arising was charged to the income statement in the current year, thus decreasing the Company's net profit by RMB 4,680,092.98 for this year.

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(3) CHARGING NON-RECURRING PROFIT AND LOSS ITEMS AND THE AMOUNT

Unit: RMB'000

Non-recurring profit and loss items	Amount
Government subsidiaries	14
Other non-operating revenue/expenses after deducting provision for impairment loss of assets	2,022
Reverse of provision of impairment loss in previous years	343
Reverse of expected loss from contracts	14,212
Impact of income tax	-226
Total	16,365

(4) MAJOR ACCOUNTING DATA AND FINANCIAL INDICATORS FOR THE LAST 3 YEARS

Unit: RMB

Major accounting data	2004	2003	Increase/ (decrease) during the year (%)	2002 After adjustment	Before adjustment
Income from principal operations (RMB'000)	2,051,360	1,199,622	71.00	979,253	920,905
Total profit (RMB'000)	323,892	34,127	849.08	17,174	20,435
Net profit (RMB'000)	264,721	33,126	699.13	16,613	20,011
Net profit after deducting non-recurring profit and loss items (RMB'000)	248,356	30,043	726.67	-12,174	1,440

Major Accounting Data and Business Data *(continued)*

	At the end of 2004	At the end of 2003	Increase/ (decrease) during the year (%)	At the end 2002 After adjustment	Before adjustment
Total assets (RMB'000)	6,374,067	3,714,721	71.59	2,757,060	2,764,956
Shareholders' interests (RMB'000)	1,269,939	949,137	33.80	915,722	907,161
Net cash flow from operating activities (RMB'000)	2,515,137	1,091,315	130.47	21,208	21,208

	2004	2003	Increase/ (decrease) during the year (%)	2002 After adjustment	Before adjustment
Major financial index					
Earnings per share (fully diluted) (RMB)	0.588	0.074	694.59	0.037	0.045
Return on net assets (fully diluted) (%)	20.85	3.49	17.36	1.81	2.21
Return on net assets of net profit after deducting non-recurring profit and loss items (fully diluted) (%)	19.56	3.17	16.39	-1.33	0.16
Net cash flow from operating activities (RMB)	5.59	2.43	130.04	0.05	0.05

	At the end of 2004	At the end of 2003	Increase/ (decrease) during the year (%)	At the end 2002 After adjustment	Before adjustment
Net assets per share (RMB)	2.82	2.11	33.65	2.03	2.02
Adjusted net assets per share (RMB)	2.76	1.74	58.62	1.52	1.50

(5) RETURN ON NET ASSETS AND EARNINGS PER SHARE CALCULATED IN ACCORDANCE WITH THE REQUIREMENT OF THE “INFORMATION DISCLOSURE FOR COMPANIES ISSUING LISTED SECURITIES” (NO. 9) OF THE CHINA SECURITIES REGULATORY COMMISSION

Unit: RMB

	Return on net assets (%)		Earnings per share	
Profit during the reporting period	Fully diluted	Weighted average	Fully diluted	Weighted average
Profit from principal operations	57.42	67.43	1.621	1.621
Operating profit	25.38	29.80	0.716	0.716
Net profit	20.85	24.48	0.588	0.588
Net profit after deducting non-recurring profit and loss items	19.56	22.96	0.552	0.552

Major Accounting Data and Business Data *(continued)*

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(6) CHANGES IN SHAREHOLDERS' EQUITY DURING THE REPORTING PERIOD AND THE REASONS FOR THE CHANGES

Unit: RMB'000

Items	Share capital	Capital surplus	Surplus reserve	Statutory welfare fund	Retained profit	Total Shareholders' interests
Beginning of the year	450,000	607,787	53,983	26,128	-162,633	949,137
Increase during the year	—	56,081	16,992	5,664	264,721	337,794
Decrease during the year	—	—	—	—	16,992	16,992
End of the year	450,000	663,868	70,975	31,792	85,096	1,269,939

- Reasons for the change in capital reserve: a transfer from specific funds for removal and reform of three-tier enterprises and environment protection as well as account payable that are not obligated to repay.
- Reason for the change in surplus reserve: appropriation from net profit.
- Reason for the change in statutory public welfare fund: appropriation from net profit.
- Reason for the change in retained profit: The increase was attributable to operating profit, and the decrease was due to appropriation of surplus reserve from net profit.