

## Consolidated Statement of Changes in Equity



	Share capital RMB'000	Share premium RMB'000	Capital reserve RMB'000	Statutory reserve fund RMB'000 (Note i)	Statutory welfare fund RMB'000 (Note ii)	Exchange reserve RMB'000	Retained earnings/ shareholder's equity RMB'000 (Note iii)	Attributable to equity holders of the Company RMB'000	Minority interests RMB'000	Total RMB'000
At January 1, 2004	—	—	—	—	—	—	1,681,121	1,681,121	981,250	2,662,371
Shareholders' contributions	—	—	—	—	—	—	48,794	48,794	—	48,794
Dividend paid	—	—	—	—	—	—	(34,488)	(34,488)	(18,253)	(52,741)
Exchange differences arising on translation of overseas operations	—	—	—	—	—	—	53	53	—	53
Increase in minority interests as a result of acquisition of subsidiaries	—	—	—	—	—	—	—	—	37,020	37,020
Decrease in minority interests as a result of disposal of subsidiary	—	—	—	—	—	—	—	—	(986)	(986)
Contributions from minority shareholders	—	—	—	—	—	—	—	—	6,974	6,974
Decrease in minority interests as a result of increase in interests in subsidiaries	—	—	—	—	—	—	—	—	(4,865)	(4,865)
Profit for the year	—	—	—	—	—	—	193,138	193,138	76,255	269,393
At December 31, 2004	—	—	—	—	—	—	1,888,618	1,888,618	1,077,395	2,966,013
Shareholders' contributions	—	—	—	—	—	—	8,234	8,234	—	8,234
Conversion as a joint stock company	1,387,110	—	387,401	—	—	—	(1,774,511)	—	—	—
Issue of shares	650	350	—	—	—	—	—	1,000	—	1,000
Dividend	—	—	—	—	—	—	(135,637)	(135,637)	(16,504)	(152,141)
Exchange differences arising on translation of overseas operations	—	—	—	—	—	(1,082)	—	(1,082)	—	(1,082)
Increase in minority interests as a result of acquisition of subsidiaries	—	—	—	—	—	—	—	—	219,565	219,565
Decrease in minority interests as a result of disposal of subsidiary	—	—	—	—	—	—	—	—	(7,561)	(7,561)
Contributions from minority shareholders	—	—	—	—	—	—	—	—	10,974	10,974
Decrease in minority interests as a result of increase in interests in subsidiaries	—	—	—	—	—	—	—	—	(110,188)	(110,188)
Profit for the year	—	—	—	—	—	—	351,105	351,105	141,014	492,119
Transfer to reserve fund	—	—	—	28,719	28,719	—	(57,438)	—	—	—
At December 31, 2005	1,387,760	350	387,401	28,719	28,719	(1,082)	280,371	2,112,238	1,314,695	3,426,933



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**Notes:**

- (i) *According to relevant laws and regulations of the People's Republic of China ("the PRC"), a company is required to make an appropriation at the rate of 10 percent of the profit after taxation of the company, prepared in accordance with PRC accounting standards, to the statutory surplus reserve fund until the balance has reached 50 percent of the registered capital of the company.*
- (ii) *According to the PRC relevant laws and regulations, a company is required to make an appropriation at the rate of 5 to 10 percent of the profit after taxation of the company, prepared in the accordance with PRC accounting standards, to the statutory public welfare fund ("PWF"). The PWF will be utilised on capital items for employees' collection welfare, and unutilised PWF must be kept in cash.*
- (iii) *The shareholder's equity prior to conversion as a joint stock company mainly represents the then capital of the companies now comprising the Group and the equity contributions from or distributions to China National Building Material Group Corporation ("Parent").*