

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE SIX MONTHS ENDED 30TH JUNE, 2006

	Attributable to equity holders of the parent								
	Share capital RMB'000	Share premium RMB'000	Capital reserve RMB'000	Statutory surplus reserve RMB'000	Statutory welfare reserve RMB'000	Retained profits RMB'000	Total RMB'000	Minority interests RMB'000	Total RMB'000
At 1st January, 2005	330,000	1,106,042	30,607	81,328	40,663	598,688	2,187,328	—	2,187,328
Profit for the period, representing total recognised income for the period	—	—	—	—	—	250,223	250,223	—	250,223
Final dividend paid	—	—	—	—	—	(49,500)	(49,500)	—	(49,500)
Transfer	—	—	—	25,624	12,813	(38,437)	—	—	—
At 30th June, 2005	330,000	1,106,042	30,607	106,952	53,476	760,974	2,388,051	—	2,388,051
Shares issued by subsidiaries to minority interests	—	—	—	—	—	—	—	60,900	60,900
Profit for the period, representing total recognised income for the period	—	—	—	—	—	64,980	64,980	1,480	66,460
Interim dividend paid	—	—	—	—	—	(54,450)	(54,450)	—	(54,450)
Transfer	—	—	—	5,167	2,582	(7,749)	—	—	—
At 31st December, 2005	330,000	1,106,042	30,607	112,119	56,058	763,755	2,398,581	62,380	2,460,961
Profit for the period, representing total recognised income for the period	—	—	—	—	—	318,742	318,742	1,923	320,665
Final dividend paid	—	—	—	—	—	(54,450)	(54,450)	—	(54,450)
Transfer	—	—	—	30,257	15,138	(45,395)	—	—	—
At 30th June, 2006	330,000	1,106,042	30,607	142,376	71,196	982,652	2,662,873	64,303	2,727,176

As stipulated by the relevant regulations of the People's Republic of China (the "PRC"), the aggregate allocations to the statutory surplus reserve and statutory welfare reserve are 10% and 5% respectively of the Group's profit after tax under the relevant accounting principles and financial regulations applicable to companies established in the PRC (the "PRC GAAP").

According to the provision of Articles of Association of the Company and its subsidiaries, the statutory surplus reserve shall only be used for making up losses, capitalisation into share capital and expansion of the relevant entity's production and operation. The statutory welfare fund is used for the collective welfare of the relevant entity's staff and workers.

According to the Company's Articles of Association, distribution of profit by the Company is determined with reference to the profit as reported under the PRC GAAP or Hong Kong Financial Reporting Standards, whichever is less.

At 30th June, 2006, the distributable reserves of the Company was RMB963,422,000 (31.12.2005: RMB755,141,000).