

Consolidated Income Statement

For the year ended 31 December 2006

	Note	2006 RMB	2005 RMB
Turnover	3	769,951,661	513,013,890
Cost of sales		<u>(549,994,345)</u>	<u>(362,953,734)</u>
Gross profit		219,957,316	150,060,156
Other revenue	4	5,150,569	3,537,864
Selling expenses		(33,207,484)	(23,150,938)
Administrative expenses		(68,341,794)	(51,441,412)
Other net expense	5(a)	<u>(6,268,710)</u>	<u>(603,924)</u>
Profit from operations		117,289,897	78,401,746
Professional and other expenses incurred in connection with the listing of the Company's shares on the Main Board		(6,821,660)	–
Finance costs	5(b)	<u>(8,677,246)</u>	<u>(7,813,959)</u>
Profit before taxation	5	101,790,991	70,587,787
Income tax	6(a)	<u>(5,287,472)</u>	<u>(1,882,093)</u>
Profit for the year attributable to equity shareholders of the Company		<u>96,503,519</u>	<u>68,705,694</u>
Earnings per share	11		
– Basic		<u>0.217</u>	<u>0.225</u>
– Diluted		<u>0.212</u>	<u>0.224</u>

The notes on pages 66 to 104 form part of these financial statements.