

Financial Highlights

FINANCIAL HIGHLIGHTS

The table below sets forth the financial highlights for 2005 and 2006:

	For the year ended 31 December	
	2006	2005
	(RMB in thousands)	
Revenue	6,451,830	4,726,544
Gross profit	1,297,228	874,141
Loss from share conversion of a subsidiary	202,624 ⁽¹⁾	—
Loss from share conversion of an associate	72,383 ⁽²⁾	—
Profit after taxation	489,160 ⁽³⁾	492,119
Profit attributable to equity holders of the Company	298,146 ⁽⁴⁾	351,105
Distributions to equity holders of the Company	80,382	135,637 ⁽⁵⁾
Earnings per share - basic (RMB) ⁽⁶⁾	0.16 ⁽⁷⁾	0.25

Notes:

- (1) represents the loss incurred from the consideration offered by the Company for the share conversion of BNBM.
- (2) represents the loss incurred from the consideration offered by the Company for the share conversion of China Fiberglass and the loss incurred from the consideration offered by China Composites for the share conversion of Yaopi.
- (3) If the losses from the share conversion of BNBM, China Fiberglass and Yaopi have not been taken into account, the Company's profit after taxation would be RMB743,257,000.
- (4) If the losses from the share conversion of BNBM, China Fiberglass and Yaopi have not been taken into account, profit attributable to equity holders of the Company would be RMB550,932,000.
- (5) Pursuant to the "Provisional Regulation relating to Corporate Restructuring of Enterprises and Related Management of State-owned Capital and Financial Treatment" which was issued by the PRC Ministry of Finance and became effective from 27 August 2002, the Company's profit for the period from 1 October 2004 to 27 March 2005 (being the date immediately prior to the date of the Company's conversion into a joint stock company) belongs to the then shareholders of the Company. A dividend of RMB135,637,000 was declared to the then shareholders of the Company on 28 March 2005.
- (6) The calculations of basic earnings per share are based on the profit attributable to equity holders of the Company of each period and on the weighted average number of 1,387,606,849 shares for 2005 and 1,921,550,959 shares for 2006.
- (7) If the losses from the share conversion of BNBM, China Fiberglass and Yaopi have not been taken into account, the Company's basic earnings per share would be RMB0.29.

Financial Highlights

	As at 31 December	
	2006	2005
	(RMB in thousands)	
	2006	2005
Total assets	13,990,314	9,712,499
Total liabilities	8,276,060	6,285,566
Net assets	5,714,254	3,426,933
Minority interests	1,507,224	1,314,695
Equity attributable to equity holders of the Company	4,207,030	2,112,238
Net assets per share – weighted (RMB) ⁽¹⁾	2.19	1.52
Debt to assets ratio ⁽²⁾	43.2%	43.6%
Net debt/ equity ratio ⁽³⁾	78.7%	96.4%

Notes:

- (1) The calculations of weighted average net assets per share are based on the profit attributable to equity holders of the Company of each period and on the weighted average number of 1,387,606,849 shares for 2005 and 1,921,550,959 shares for 2006.
- (2) Debt to assets ratio = total borrowings / total assets x 100%
- (3) Net debt/equity ratio = (total borrowings - bank balances and cash) / (minority interests + equity attributable to equity holders of the Company) x 100%