

Consolidated Statement of Changes in Equity

for the Year ended 31 December 2004 (Expressed in Renminbi)

| | Note | 2004 RMB million | 2003 RMB million |
|---|-------|---------------------|---------------------|
| Shareholders' equity at 1 January | | 198,803 | 173,265 |
| Net profit for the year | 33(a) | 42,004 | 35,556 |
| Dividends declared or approved during the year | | (8,349) | (10,018) |
| Movements in shareholders' equity arising from capital transactions with shareholders: | | | |
| Shares issued under share option scheme | 31 | 3 | — |
| Share premium arising on issuance of shares | 33(a) | 700 | — |
| | | 703 | — |
| Shareholders' equity at 31 December | | 233,161 | 198,803 |

The notes on pages 85 to 140 form part of these financial statements.