

2. INCOME STATEMENTS AND PROFIT APPROPRIATION STATEMENTS (UNAUDITED)

	Note	The Group			The Company		
		Six-month periods ended 30 June 2001 RMB millions	2000 RMB millions	Year ended 31 December 2000 RMB millions (Audited)	Six-month periods ended 30 June 2001 RMB millions	2000 RMB millions	Year ended 31 December 2000 RMB millions (Audited)
Income from principal operations	4(viii)	158,857	147,798	322,932	115,579	102,063	222,337
Less: Cost of sales		123,674	116,835	249,234	100,207	89,571	190,184
Sales tax and surcharges		5,906	5,603	12,101	3,731	3,434	7,656
Profit from principal operations		29,277	25,360	61,597	11,641	9,058	24,497
Add: Profit from other operations	4(ix)	594	353	1,028	359	185	675
Less: Selling expenses		5,802	5,140	11,583	4,014	3,201	7,940
Administrative expenses		6,792	7,620	17,172	3,480	4,491	11,651
Financial expenses	4(x)	2,213	2,780	4,843	1,272	1,774	2,990
Exploration expenses, including dry holes		1,730	1,071	2,883	840	659	1,568
Operating profit/(loss)		13,334	9,102	26,144	2,394	(882)	1,023
Add: Investment income	4(xi)	184	77	235	9,800	9,941	23,431
Non-operating income	4(xii)	110	85	215	39	41	137
Less: Non-operating expenses	4(xiii)	1,753	(424)	657	1,009	164	751
Profit before taxation		11,875	9,688	25,937	11,224	8,936	23,840
Less: Taxation	4(xiv)	3,194	2,692	7,954	3,117	2,889	7,686
Minority interests		574	949	1,829	—	—	—
Net profit		8,107	6,047	16,154	8,107	6,047	16,154
Add: Undistributed profits at the beginning of the period as previously reported		6,212	—	—	6,212	—	—
Less: Written off debit balance of Housing Revolving Fund	4(ii)	484	—	—	484	—	—
Undistributed profits at the beginning of the period (as restated)		5,728	—	—	5,728	—	—
Distributable profits		13,835	6,047	16,154	13,835	6,047	16,154
Less: Transfer to statutory surplus reserve	4(xv)	—	—	1,615	—	—	1,615
Transfer to statutory public welfare fund	4(xv)	—	—	1,615	—	—	1,615
Distributable profits to shareholders		13,835	6,047	12,924	13,835	6,047	12,924
Less: Dividends	4(xvi)	—	—	6,712	—	—	6,712
Undistributed profits		13,835	6,047	6,212	13,835	6,047	6,212

The notes on pages 41 to 50 form part of these interim accounts.