

## PROFIT AND LOSS ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2000  
(Prepared under PRC Accounting Regulations)

	Notes	Group		Company	
		2000 Rmb'000	1999 Rmb'000	2000 Rmb'000	1999 Rmb'000
<b>Income from principal operations</b>	12	<b>3,500,738</b>	2,844,099	<b>14,457</b>	—
Less: Costs for principal operations		<b>(2,929,959)</b>	(2,588,875)	<b>(2,151)</b>	—
Business tax and surcharges		<b>(23,140)</b>	(16,700)	<b>(795)</b>	—
Profit from principal operations		<b>547,639</b>	238,524	<b>11,511</b>	—
Add: Profit/(loss) from other operations	13	<b>8,689</b>	(7,514)	<b>4,100</b>	937
Less: Provision for losses on realisation of inventories		<b>(1,230)</b>	(4,224)	—	—
Selling expenses		<b>(33,720)</b>	(33,943)	—	—
Administrative expenses		<b>(375,197)</b>	(326,380)	<b>(44,678)</b>	(29,011)
Reversal of provisions against certain assets	14	<b>254,140</b>	—	<b>25,126</b>	—
Financial expenses	15	<b>(218,407)</b>	(206,358)	<b>(11,377)</b>	(13,073)
Operating profit/(loss)		<b>181,914</b>	(339,895)	<b>(15,318)</b>	(41,147)
Add: Investment income/(loss)	16	<b>2,353</b>	(12,935)	<b>110,497</b>	(335,091)
Subsidy income		<b>6,630</b>	840	—	—
Non-operating income	17	<b>9,679</b>	5,799	—	—
Less: Non-operating expenses	18	<b>(28,188)</b>	(27,303)	<b>(18)</b>	—
Total profit/(loss)		<b>172,388</b>	(373,494)	<b>95,161</b>	(376,238)
Less: Income tax	19	<b>(3,784)</b>	(685)	<b>(3,627)</b>	—
<b>Net profit/(loss)</b>		<b>168,604</b>	(374,179)	<b>91,534</b>	(376,238)

The accompanying notes set out on pages 57 to 90 form an integral part of these accounts.

**Ma Baiyu**  
Company Representative

**An Pindong**  
Chief Accountant

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