

Profit and Loss Account

(Prepared under PRC accounting standards)

For the year ended 31 December 2000

	Notes V	2000 RMB	1999 RMB
Principal operating income	25	7,079,062,219	6,086,095,313
Less: Cost of sales	25	(5,885,036,266)	(5,471,147,934)
Sales tax and surcharges		(60,212,520)	(41,188,465)
 Profit from principal operating activities		 1,133,813,433	 573,758,914
Less: Other operating loss		(2,496,316)	(4,592,043)
Less: Provisions for inventories		-	(18,000,000)
Selling expenses		(56,416,113)	(93,513,155)
Administrative expenses		(353,596,952)	(345,694,434)
Financial expenses		(178,932,131)	(187,270,454)
 Operating profit/(loss)		 542,371,921	 (75,311,172)
Add: Investment income	29	2,675,648	3,001,921
Subsidies income		-	109,989,000
Non-operating income		3,346,923	5,932,054
Less: Non-operating expenses		(354,865,219)	(31,943,981)
 Profit before tax		 193,529,273	 11,667,822
Less: Tax		(20,522,914)	-
 Profit after tax		 173,006,359	 11,667,822
Add: Retained profits at beginning of year		188,421,233	179,086,975
Less: Staff housing subsidies charged to retained profits	33	(20,872,421)	-
 Profit available for distribution		 340,555,171	 190,754,797
Less: Transfers to statutory surplus reserve		(17,300,636)	(1,166,782)
Transfers to statutory public welfare fund		(17,300,636)	(1,166,782)
 Profit available for distribution to shareholders		 305,953,899	 188,421,233
Less: Dividend payable	34	(129,106,000)	-
 Retained profits at end of year		 176,847,899	 188,421,233

The attached notes are a component of the Audited Financial Statements.