

INCOME STATEMENT AND PROFIT DISTRIBUTION STATEMENT

For the year ended 31 December 2000
(Prepared in accordance with PRC Accounting Rules and Regulations)
(Expressed in Thousand Renminbi Yuan)

	Note	2000 Rmb'000	1999 Rmb'000
Income from principal operations		8,041,486	6,385,419
Less: Cost of sales	23	6,400,644	4,797,621
Business tax and surcharges	15(b)	39,548	62,012
Profit from principal operations		1,601,294	1,525,786
Less: Loss from other operations		6,327	9,548
Provision for diminution in value of inventories		12,783	24,012
Selling expenses		75,516	86,947
Administrative expenses	24	513,813	363,238
Financial expenses	25	41,065	117,171
Operating profit		951,790	924,870
Add: Income from investments	26	64,982	81,893
Non-operating income		10,495	43,585
Less: Non-operating expenses	27	46,935	164,961
Total profit		980,332	885,387
Less: Income tax	15(a)	135,154	126,454
Net profit		845,178	758,933
Add: Undistributed profits at the beginning of the year		155,713	–
Distributable profits		1,000,891	758,933
Less: Transfer to statutory surplus reserve	22	90,034	68,008
Transfer to statutory public welfare fund	22	84,236	47,606
Distributable profits to shareholders		826,621	643,319
Less: Transfer to discretionary surplus reserve	22	–	47,606
Dividends	16	360,000	440,000
Undistributed profits		466,621	155,713

The notes on the accounts form part of these accounts.