

A. Interim Financial Report prepared under International Accounting Standard IAS 34 “Interim Financial Reporting” (see note 1)

Consolidated Income Statement *(unaudited)*

(Amounts in thousands, except per share data)

	Note	<u>Six-month periods ended 30 June</u>	
		2002	2001
		RMB	RMB
Turnover	2	9,523,023	9,760,097
Less: Business taxes and surcharges		(275,118)	(281,610)
Net sales		9,247,905	9,478,487
Cost of sales		(8,631,230)	(8,972,992)
Gross profit		616,675	505,495
Selling and administrative expenses		(200,368)	(158,335)
Other operating income		89,679	87,233
Other operating expenses			
-Employee reduction expenses	3	-	(77,302)
-Others		(58,349)	(27,826)
Profit from operations		447,637	329,265
Share of losses of associates		(498)	(18,744)
Net financing costs		(173,428)	(108,303)
Profit before tax	2,4	273,711	202,218
Income tax expense	6	(47,581)	(29,557)
Profit after tax		226,130	172,661
Minority interests		(17,521)	(12,852)
Profit attributable to shareholders		208,609	159,809
Basic earnings per share	7	RMB 0.029	RMB 0.022

The notes on pages 25 to 33 form part of this unaudited interim financial report.