

# Consolidated Income Statement

(Prepared in accordance with International Financial Reporting Standards)

FOR THE YEAR ENDED 31ST DECEMBER, 2002

(Amounts expressed in thousands of Rmb, except per share data)

		For the year ended 31st December,	
	Note	2002	2001
<b>Operating revenue, net</b>	5	<b>18,474,469</b>	15,791,362
<b>Operating expenses</b>			
Fuel		<b>(6,916,038)</b>	(5,147,364)
Maintenance		<b>(607,951)</b>	(765,712)
Depreciation		<b>(3,533,609)</b>	(3,261,001)
Labor		<b>(1,035,740)</b>	(807,136)
Transmission fees		<b>(35,754)</b>	(36,925)
Service fees to HIPDC	7(a)	<b>(263,716)</b>	(307,322)
Others	14	<b>(503,647)</b>	(451,868)
Total operating expenses		<b>(12,896,455)</b>	(10,777,328)
<b>Profit from operations</b>		<b>5,578,014</b>	5,014,034
Interest income		<b>83,015</b>	113,081
Interest expense		<b>(561,875)</b>	(867,538)
Bank charges and exchange losses, net		<b>(31,405)</b>	(41,758)
Total financial expenses		<b>(510,265)</b>	(796,215)
Gain from disposal of investments		<b>1,288</b>	24,671
Share of loss of associates	11	<b>(11,145)</b>	(5,381)
<b>Profit before tax</b>	6	<b>5,057,892</b>	4,237,109
Income tax expense	32	<b>(980,854)</b>	(715,220)
<b>Profit before minority interests</b>		<b>4,077,038</b>	3,521,889
<b>Minority interests</b>	33	<b>(156,034)</b>	(71,231)
<b>Net profit attributable to shareholders</b>		<b>3,921,004</b>	3,450,658
<b>Proposed dividend</b>	21	<b>2,040,093</b>	1,800,000
<b>Proposed dividend per share (Rmb)</b>	21	<b>0.34</b>	0.30
<b>Basic earnings per share (Rmb)</b>	34	<b>0.65</b>	0.61
<b>Diluted earnings per share (Rmb)</b>	34	<b>0.65</b>	0.60

The accompanying notes are an integral part of these financial statements.