

## Consolidated Profit and Loss Account

(Prepared under PRC accounting standards)

Year ended 31 December 2002

	Note V	2002 RMB	2001 RMB
Principal operating income	32	10,973,917,161	9,547,928,732
Less: Cost of sales	32	(9,224,360,959)	(8,191,351,342)
Taxes and surcharges	33	(86,196,401)	(74,730,333)
Profit from principal operating activities		1,663,359,801	1,281,847,057
Add: Other operating profit		13,433,342	16,879,381
Less: Selling expenses		(79,053,505)	(91,901,563)
Administrative expenses		(555,302,378)	(488,675,440)
Financial expenses	34	(85,279,888)	(130,389,931)
Operating profit		957,157,372	587,759,504
Add: Investment income	35	6,344,159	669,937
Subsidies income	36	1,431,000	4,942,320
Non-operating income	37	4,031,394	8,592,156
Less: Non-operating expenses	38	(489,261,461)	(304,832,651)
Profit before tax		479,702,464	297,131,266
Less: Tax		(95,261,563)	(88,734,774)
Net profit		384,440,901	208,396,492
Add: Retained profits at beginning of year		36,121,774	187,891,056
Less: Staff housing subsidies charged to retained profits	39	(72,779,744)	(84,567,947)
Loss from sale of staff quarters charged to opening retained profits	40	–	(105,600,289)
Profit available for distribution		347,782,931	206,119,312
Less: Transfers to statutory surplus reserve	30	(41,235,770)	(20,471,279)
Transfers to statutory public welfare fund	30	(40,808,480)	(20,420,259)
Profit available for distribution to shareholders		265,738,681	165,227,774
Less: Ordinary shares dividend payable	41	(225,935,500)	(129,106,000)
Retained profits at end of year		39,803,181	36,121,774

The accompanying notes form an integral part of the financial statements.

Company Representative:  
**Gu Jianguo**  
2 April 2003

Chief Accountant:  
**Su Jianguang**  
2 April 2003

Head of Accounting Department:  
**Guan Yagang**  
2 April 2003