

Profit and Loss Account

For the year ended December 31, 2002

(In RMB Yuan)

Items	2002 Group	2001 Group	2002 Company	2001 Company
1. SALES REVENUE (Note V-24)	12,319,139,488	11,914,082,480	12,221,905,890	11,825,250,060
<i>Less: Cost of sales</i> (Note V-25)	(11,074,404,199)	(11,191,603,870)	(10,999,275,434)	(11,151,434,697)
Sales tax and other levies (Note V-26)	(479,813,089)	(439,901,437)	(479,813,089)	(439,901,437)
2. GROSS PROFIT ON SALES	764,922,200	282,577,173	742,817,367	233,913,926
<i>Add: Other operating profit/(loss)</i>	3,252,925	(46,807,586)	13,916,856	(39,110,500)
<i>Less: Selling expenses</i>	(34,932,224)	(62,197,882)	(32,242,641)	(58,372,043)
General and administrative expenses	(587,427,232)	(1,435,766,454)	(569,738,533)	(1,416,840,761)
Financial expenses, net (Note V-27)	(514,647,486)	(545,469,215)	(506,707,642)	(535,757,343)
3. OPERATING LOSS	(368,831,817)	(1,807,663,964)	(351,954,593)	(1,816,166,721)
<i>Add: Investment income/(loss)</i> (Note V-28)	(8,308,243)	39,326,864	(34,234,815)	43,234,942
Subsidy income	-	2,174,512	-	2,174,512
Non-operating income	7,721,827	22,958,532	7,101,470	22,950,667
<i>Less: Non-operating expenses</i> (Note V-29)	(661,617,796)	(54,197,030)	(647,029,736)	(53,779,731)
4. TOTAL LOSS	(1,031,036,029)	(1,797,401,086)	(1,026,117,674)	(1,801,586,331)
<i>Less: Income tax</i> (Note V-30)	(351,996)	(4,206,747)	-	(3,394,265)
Minority interests	5,655,464	(1,413,724)	-	-
5. NET LOSS	(1,025,732,561)	(1,803,021,557)	(1,026,117,674)	(1,804,980,596)

Supplementary Information

	2002		2001	
	Group	Company	Group	Company
1. Income from sale and disposal of departments or investees	-	-	-	-
2. Loss from natural catastrophe	-	-	-	-
3. Increase in total profit resulting from change in accounting policies	-	-	-	-
4. Increase in total profit resulting from change in accounting estimates	-	-	-	-
5. Loss from debt restructuring	-	-	-	-
6. Other	-	-	-	-

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

	<i>Person in charge of accounting function</i>	<i>Person in charge of accounting department:</i>	
<i>Legal representative:</i>	<i>General manager:</i>	<i>(Chief accountant):</i>	
Yu Li	Shi Jian Xun	Lan Yun Sheng	Liao Hong Wei