

Consolidated Income Statement and Profit Appropriation Statement

For the year ended 31 December 2002
(Prepared under PRC Accounting Rules and Regulations)

	Note	2002 RMB'000	2001 RMB'000
Income from principal operations	24	22,322,896	20,197,396
Less: Cost of sales		(18,743,107)	(17,841,620)
Business taxes and surcharges	25	(599,927)	(579,630)
Profit from principal operations		2,979,862	1,776,146
Add: Profit from other operations		74,082	66,939
Less: Selling expenses		(421,208)	(349,392)
Administrative expenses		(1,128,816)	(975,250)
Financial expenses	26	(407,403)	(280,046)
Income from operations		1,096,517	238,397
Add: Investment income	27	58,368	13,953
Non-operating income		22,740	45,052
Less: Non-operating expenses	28	(141,387)	(203,893)
Total profit		1,036,238	93,509
Income tax	14(a)	(83,094)	6,687
Minority interests		(44,179)	(28,592)
Net profit		908,965	71,604
Add: Undistributed profits at the beginning of the year as previously reported		573,281	832,144
Less: Write-off of Housing Revolving Fund		-	(316,147)
Undistributed profits at the beginning of the year (as restated)		573,281	515,997
Distributable profits		1,482,246	587,601
Less: Transfer to statutory surplus reserve	23	(90,897)	(7,160)
Transfer to statutory public welfare fund	23	(90,897)	(7,160)
Distributable profits to shareholders		1,300,452	573,281
Less: Appropriated ordinary dividend	29	(360,000)	-
Undistributed profits at the end of the year		940,452	573,281

The notes to financial statements form part of these financial statements.