

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	20,749,136	18,263,053
Less: Cost of sales		(17,732,686)	(16,283,409)
Business taxes and surcharges	25	(570,037)	(555,960)
Profit from principal operations		2,446,413	1,423,684
Add: Profit from other operations		58,891	53,871
Less: Selling expenses		(279,817)	(257,583)
Administrative expenses		(898,843)	(802,049)
Financial expenses	26	(364,796)	(247,453)
Income from operations		961,848	170,470
Add: Investment income	27	115,087	60,156
Non-operating income		1,168	10,738
Less: Non-operating expenses	28	(116,335)	(183,559)
Total profit		961,768	57,805
Income tax	14(a)	(52,803)	13,799
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 the financial statements form part of these financial statements.