

A. Interim Financial Statements prepared under International Accounting Standard 34 “Interim Financial Reporting” (see note 1)

Consolidated Income Statement (unaudited)

(Amounts in thousands, except per share data)

	Note	Six-month periods ended 30 June	
		2003 RMB	2002 RMB
Turnover	3	14,139,070	9,523,023
Business taxes and surcharges		(274,512)	(275,118)
Net sales		13,864,558	9,247,905
Cost of sales		(12,850,409)	(8,631,230)
Gross profit		1,014,149	616,675
Selling and administrative expenses		(228,624)	(200,368)
Other operating income		58,031	89,679
Other operating expenses		(29,147)	(58,349)
Profit from operations		814,409	447,637
Share of losses of associates		(14,745)	(498)
Net financing costs		(201,614)	(173,428)
Profit before tax	3,4	598,050	273,711
Taxation	6	(100,616)	(47,581)
Profit after tax		497,434	226,130
Minority interests		(13,375)	(17,521)
Profit attributable to shareholders		484,059	208,609
Basic earnings per share	7	RMB 0.067	RMB 0.029

The notes on pages 23 to 31 form part of these unaudited interim financial statements.