

# Consolidated Income Statement

(Prepared in accordance with International Financial Reporting Standards)  
FOR THE YEAR ENDED 31st DECEMBER, 2003  
(Amounts expressed in thousands of Rmb, except per share data)

	<i>Note</i>	For the year ended 31st December,	
		2003	2002
<b>Operating revenue, net</b>		<b>23,388,237</b>	18,474,469
<b>Operating expenses</b>			
Fuel		(9,025,013)	(6,916,038)
Maintenance		(921,561)	(607,951)
Depreciation		(4,117,478)	(3,533,609)
Labor		(1,439,673)	(1,035,740)
Service fees to HIPDC	7(a)	(214,723)	(263,716)
Others	14	(596,627)	(539,401)
<b>Total operating expenses</b>		<b>(16,315,075)</b>	(12,896,455)
<b>Profit from operations</b>		<b>7,073,162</b>	5,578,014
Interest income		53,044	83,015
Interest expense		(569,148)	(561,875)
Bank charges and exchange losses, net		(28,181)	(31,405)
<b>Total financial expenses</b>		<b>(544,285)</b>	(510,265)
Share of profit (loss) of associates	11	212,091	(11,145)
Gain from disposal of investments		10,705	1,288
Other income, net	5	12,070	—
<b>Profit before tax</b>	6	<b>6,763,743</b>	5,057,892
Income tax expense	32	(1,149,441)	(980,854)
<b>Profit before minority interests</b>		<b>5,614,302</b>	4,077,038
<b>Minority interests</b>	33	<b>(183,894)</b>	(156,034)
<b>Net profit attributable to shareholders</b>		<b>5,430,408</b>	3,921,004
<b>Proposed dividend</b>	21	<b>3,013,836</b>	2,049,408
<b>Proposed dividend per share (Rmb)</b>	21	<b>0.50</b>	0.34
<b>Basic earnings per share (Rmb)</b>	34	<b>0.90</b>	0.65
<b>Diluted earnings per share (Rmb)</b>	34	<b>0.90</b>	0.65

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