

CONSOLIDATED INCOME STATEMENT*For the year ended December 31, 2003**(All amounts in Renminbi thousands, except for per share data)*

	<i>Notes</i>	2003	2002
Revenues from railroad businesses			
Passenger		1,754,223	1,846,599
Freight		514,794	514,036
Sub-total		2,269,017	2,360,635
Revenues from other businesses		144,370	156,893
Total revenues		2,413,387	2,517,528
Operating expenses			
Railroad businesses			
Labour and benefits		(347,649)	(373,781)
Equipment leases and services		(437,739)	(433,918)
Materials and supplies		(216,993)	(192,141)
Repair costs, excluding materials and supplies		(89,640)	(102,377)
Depreciation		(290,014)	(335,508)
Amortisation of leasehold land payments		(15,602)	(15,131)
Fees for social services		(62,579)	(57,385)
General and administrative expenses		(134,688)	(123,800)
Others		(113,382)	(101,251)
Sub-total		(1,708,286)	(1,735,292)
Other businesses			
Materials and supplies		(112,677)	(124,602)
General and administrative expenses		(29,711)	(35,137)
Sub-total		(142,388)	(159,739)
Total operating expenses		(1,850,674)	(1,895,031)
Profit from operations		562,713	622,497
Other income		47,341	43,495
Finance costs		(2,468)	(4,208)
Share of losses of associates before tax	<i>14</i>	(2,417)	(197)
Profit before tax	<i>4</i>	605,169	661,587
Income tax expense	<i>6</i>	(93,439)	(104,391)
Profit from ordinary activities after tax		511,730	557,196
Minority interests		32	(113)
Profit attributable to shareholders	<i>7</i>	511,762	557,083
Earnings per share	<i>8</i>		
— Basic		RMB0.12	RMB0.13
— Diluted		N/A	N/A