

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

### Consolidated Income Statement (unaudited)

	Note	Six-month periods ended 30 June	
		2004 RMB'000	2003 RMB'000
Turnover	2	17,778,137	14,139,070
Less: Sales taxes and surcharges		(350,253)	(274,512)
<b>Net sales</b>		<b>17,427,884</b>	<b>13,864,558</b>
<b>Cost of sales</b>		<b>(15,097,255)</b>	<b>(12,850,409)</b>
<b>Gross profit</b>		<b>2,330,629</b>	<b>1,014,149</b>
Selling and administrative expenses		(228,604)	(228,624)
Other operating income		100,814	58,031
Other operating expenses			
Employee reduction expenses		(86,713)	-
Others		(107,471)	(29,147)
<b>Profit from operations</b>		<b>2,008,655</b>	<b>814,409</b>
Share of losses of associates		(17,392)	(14,745)
Net financing costs		(171,495)	(201,614)
<b>Profit before tax</b>	2,3	<b>1,819,768</b>	<b>598,050</b>
Taxation	4	(258,124)	(100,616)
<b>Profit after tax</b>		<b>1,561,644</b>	<b>497,434</b>
<b>Minority interests</b>		<b>(40,919)</b>	<b>(13,375)</b>
<b>Profit attributable to shareholders</b>		<b>1,520,725</b>	<b>484,059</b>
<b>Basic earnings per share</b>	5	<b>RMB 0.211</b>	<b>RMB 0.067</b>

The notes on pages 29 to 37 form part of this unaudited interim financial report.