

Income Statements and Profit Appropriation Statements *(unaudited)*

	Note	Six-month periods ended 30 June			
		The Group		The Company	
		2004	2003	2004	2003
		RMB'000	RMB'000	RMB'000	RMB'000
Income from principal operations	24	17,778,137	14,139,070	15,705,915	13,333,646
Less: Cost of sales	24	14,579,417	12,393,952	12,838,239	11,812,956
Sales taxes and surcharges	25	350,253	274,512	344,907	261,325
Profit from principal operations		2,848,467	1,470,606	2,522,769	1,259,365
Add: Profit from other operations		75,991	42,458	33,321	37,571
Less: Selling expenses		228,604	228,624	173,472	166,060
Administrative expenses		537,305	476,195	432,845	392,151
Financial expenses	26	171,495	209,341	144,218	195,974
Profit from operations		1,987,054	598,904	1,805,555	542,751
Add: Investment income / (losses)	27	15,653	(1,178)	137,663	33,120
Non-operating income		15,092	9,264	3,699	383
Less: Non-operating expenses	28	187,460	22,423	184,748	21,163
Total profit		1,830,339	584,567	1,762,169	555,091
Less: Income tax	14(a)	258,220	99,512	230,969	83,411
Minority interests		40,919	13,375	–	–
Net profit		1,531,200	471,680	1,531,200	471,680
Add: Undistributed profits at the beginning of the period		2,048,896	1,300,452	2,048,896	1,300,452
Distributable profits to shareholders		3,580,096	1,772,132	3,580,096	1,772,132
Less: Ordinary shares' final dividend	18	576,000	360,000	576,000	360,000
Undistributed profits at the end of the period		3,004,096	1,412,132	3,004,096	1,412,132

The notes on pages 44 to 84 form part of these unaudited financial statements.