

Consolidated Income Statement

Year ended 31 December 2005

(All amounts expressed in thousands of Renminbi, except per share data)

	Notes	2005	2004 (Restated)
REVENUE			
Oil and gas sales	7, 30	53,417,669	36,886,019
Marketing revenues	8	15,901,325	18,191,353
Other income		136,749	144,691
		69,455,743	55,222,063
EXPENSES			
Operating expenses		(5,934,598)	(5,070,344)
Production taxes		(2,596,543)	(1,725,674)
Exploration expenses		(1,293,687)	(1,316,160)
Depreciation, depletion and amortisation		(5,964,740)	(5,455,062)
Dismantlement	31	(252,857)	(201,637)
Impairment losses related to property, plant and equipment		(90,190)	—
Crude oil and product purchases	8	(15,704,100)	(17,963,461)
Selling and administrative expenses	10	(1,370,368)	(1,104,348)
Others		(77,062)	(45,844)
		(33,284,145)	(32,882,530)
PROFIT FROM OPERATING ACTIVITIES			
		36,171,598	22,339,533
Interest income		359,294	206,872
Finance costs	11	(1,100,532)	(441,825)
Exchange gains, net		287,027	29,269
Investment income	9	247,893	72,438
Share of profits of associates		307,075	344,469
Non-operating income/(expenses), net		28,579	519,206
PROFIT BEFORE TAX			
	9	36,300,934	23,069,962
Tax	14	(10,977,812)	(6,930,826)
NET PROFIT			
	15	25,323,122	16,139,136

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	Notes	2005	2004 (Restated)
DIVIDENDS			
Special interim dividend declared in place of 2003 final dividend	16	—	2,617,526
Interim dividend	16	2,138,128	1,306,451
Special interim dividend	16	2,138,128	2,177,418
Proposed final dividend	16	4,250,391	1,310,022
Proposed special final dividend	16	—	2,183,371
		8,526,647	9,594,788
EARNINGS PER SHARE			
Basic	17	RMB 0.62	RMB 0.39
Diluted	17	RMB 0.61	RMB 0.39
DIVIDEND PER SHARE			
Special interim dividend declared in place of 2003 final dividend	16	RMB —	RMB 0.06
Interim dividend	16	RMB 0.05	RMB 0.03
Special interim dividend	16	RMB 0.05	RMB 0.05
Proposed final dividend	16	RMB 0.10	RMB 0.03
Proposed special final dividend	16	RMB —	RMB 0.05