

Income Statements and Profit Appropriation Statements *(unaudited)*

		Six-month period ended 30 June			
		The Group		The Company	
	Note	2006 RMB'000	2005 RMB'000	2006 RMB'000	2005 RMB'000
Income from principal operations	24	23,423,280	21,886,472	21,236,369	20,450,652
Less: Cost of sales	24	22,335,084	18,362,576	20,444,130	17,219,018
Sales taxes and surcharges	25	316,004	378,135	311,853	375,105
Profit from principal operations		772,192	3,145,761	480,386	2,856,529
Add: Profit from other operations		69,237	68,785	51,766	46,153
Less: Selling expenses		281,013	196,886	221,177	148,001
Administrative expenses		614,810	585,138	508,059	485,429
Financial expenses	26	125,331	129,340	104,575	112,187
(Loss) / profit from operations		(179,725)	2,303,182	(301,659)	2,157,065
Add: Investment income / (losses)	27	243,826	(116,089)	299,806	(100,505)
Non-operating income	28	15,049	10,766	1,032	2,734
Less: Non-operating expenses	29	62,099	155,223	40,334	95,212
Total (loss) / profit		17,051	2,042,636	(41,155)	1,964,082
Less: Income tax	13(a)	8,995	357,730	(13,595)	313,562
Minority interests		35,616	34,386	-	-
Net (loss) / profit		(27,560)	1,650,520	(27,560)	1,650,520
Add: Undistributed profits at the beginning of the period		4,573,608	4,649,907	4,573,608	4,649,907
Distributable profits to shareholders		4,546,048	6,300,427	4,546,048	6,300,427
Less: Distributable dividends to ordinary shares	16	720,000	1,440,000	720,000	1,440,000
Undistributed profits at the end of the period		3,826,048	4,860,427	3,826,048	4,860,427

The notes on pages 51 to 90 form part of these unaudited financial statements.