

Profit and Loss Statement

December

2000

Unit: RMB

Item	Note	2000		1999	
		Parent company	Consolidated	Parent company	Consolidated
1. Principal operating income		1,582,632,926.26	2,222,269,882.38	1,728,678,244.06	2,281,356,788.53
Less: discount and rebates					
Net principal operating income		1,582,632,926.26	2,222,269,882.38	1,728,678,244.06	2,281,356,788.53
Less: principal operating costs		1,533,559,683.08	2,111,097,728.62	1,488,328,381.18	1,984,022,560.90
tax & surcharge		4,634,272.67	6,612,745.87	7,231,943.07	8,436,991.38
2. Principal operating profit		44,438,970.51	104,559,407.89	233,117,919.81	288,897,236.25
Add: profit from other operations		8,036,904.98	4,747,256.35	7,648,437.22	7,576,933.41
Less: provision for diminution in value of inventories		326,431,085.70	326,405,461.54	2,921,968.99	4,377,471.72
selling expenses		3,320,521.66	8,481,242.46	3,558,697.97	20,330,630.09
administrative expenses		437,032,428.01	471,589,170.30	165,897,420.00	192,334,173.03
financial expenses		38,495,261.42	48,276,049.41	76,395,131.20	92,956,642.79
3. Operating profit		-752,803,421.30	-745,445,259.47	-8,006,861.13	-13,524,747.97
Add: investment income		-32,970,424.49	1,133,303.87	-9,952,739.37	1,570,130.68
subsidy income		65,009,643.82	65,009,643.82	32,927,392.34	32,981,642.57
non-operating income		539,313.02	749,089.99	826,634.47	964,315.27
Less: non-operating expenses		1,636,467.21	37,098,064.55	2,242,256.57	2,641,818.15
4. Total profit		-721,861,356.16	-715,651,286.34	13,552,169.74	19,349,522.40
Less: income tax		4,008,245.51	7,509,893.24	12,358,497.92	13,225,084.90
staff welfare fund			231,299.56		414,244.27
Less: Profit & Loss of minority interests			2,477,122.53		4,609,227.27
5. Net profit		-725,869,601.67	-725,869,601.67	1,193,671.82	1,100,965.96
Add: retained earnings at the beginning of the year		106,372,184.47	105,514,759.09	105,417,247.1	105,230,696.21
Adjustment of prior year items		1,663,918.80	1,663,918.80		-114,793.41
Transfer from surplus reserves					
6. Distributable profit		-617,833,498.40	-618,690,923.78	106,610,918.83	106,186,868.76
Less: appropriation to statutory surplus reserve		166,391.88	166,391.88	119,367.18	536,307.05
appropriation to statutory public welfare fund		166,391.88	166,391.88	119,367.18	135,802.62
7. Profit distributable to shareholders		-618,166,282.16	-619,023,707.54	106,372,184.47	105,514,759.09
Less: preference shares dividends					

payable					
appropriation to discretionary surplus reserve					
ordinary shares dividends payable					
8. Retained earnings		-618,166,282.16	-619,023,707.54	106,372,184.47	105,514,759.09

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2000**

	Note	2000 RMB'000	1999 RMB'000
Turnover	2	2,222,270	2,281,357
Construction cost		1,437,577	1,326,470
Cost of inventories sold		673,521	657,553
Cost of sales		2,111,098	1,984,023
Gross profit		111,172	297,334
Provision for foreseeable losses of construction contracts	20	(326,432)	-
Provision for a potential liability	19	(45,468)	-
Other revenues	2	85,831	47,827
Distribution costs		(15,094)	(28,768)
Administrative expenses		(117,659)	(127,704)
Other operating expenses		(3,402)	(10,277)
Operating (loss)/profit	3	(311,052)	178,412
Amount due from non-banking financial Institutions			
- provision for non-recovery on principals	17(a)	(350,433)	(49,778)
- interest receivables written off		-	(36,432)
Finance costs	4	(60,218)	(73,545)
Share of profits less losses of associated companies		(59)	208
(Loss)/profit before taxation		(721,762)	18,865
Taxation	5(a)	(6,132)	(13,300)
(Loss)/profit after taxation		(727,894)	5,565
Minority interests		(816)	(4,609)
(Loss)/profit attributable to shareholders	6	(728,710)	956
Transfer to statutory surplus reserve	23(b)	(166)	(536)
Transfer to statutory public welfare fund	23(b)	(166)	(135)
(Loss)/profit retained for the year		(729,042)	285
(Loss)/earnings per share	7	(RMB1.4731)	RMB0.0019

The Group has no other recognised gains and losses other than loss for the year of RMB728,710,000 (1999: profit of RMB956,000). Accordingly, no separate statement of recognised gains and losses is presented.