

**(B) INTERIM FINANCIAL STATEMENTS PREPARED UNDER INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRS”)
CONSOLIDATED INCOME STATEMENT**

(Amounts in millions, except per share data)

	Note	Six-month periods ended 30 June	
		2002 RMB	2001 RMB (unaudited)
Turnover and other operating revenues			
Turnover	3	140,628	160,314
Other operating revenues	4	5,569	5,506
		146,197	165,820
Operating expenses			
Purchased crude oil, products and operating supplies and expenses		(100,571)	(115,375)
Selling, general and administrative expenses	5	(9,814)	(8,338)
Depreciation, depletion and amortisation		(11,346)	(10,441)
Exploration expenses, including dry holes		(1,909)	(1,879)
Personnel expenses	6	(5,873)	(5,752)
Employee reduction expenses	7	—	(1,301)
Taxes other than income tax	8	(5,776)	(5,929)
Other operating expenses, net	9	(201)	(347)
Total operating expenses		(135,490)	(149,362)
Operating profit		10,707	16,458
Finance costs			
Interest expense	10	(2,263)	(2,966)
Interest income		130	739
Foreign exchange losses		(259)	(103)
Foreign exchange gains		31	277
Net finance costs		(2,361)	(2,053)
Investment income		42	82
Share of profits less losses from associates and jointly controlled entities		90	190
Profit from ordinary activities before taxation		8,478	14,677
Taxation	11	(2,594)	(4,095)
Profit from ordinary activities after taxation		5,884	10,582
Minority interests		(451)	(607)
Profit attributable to shareholders		5,433	9,975
Basic earnings per share	13	0.06	0.12
Dividends attributable for the period:			
Interim dividend declared after the balance sheet date	12	1,734	—

The notes on pages 70 to 91 form part of these interim financial statements.