

PROFIT AND LOSS ACCOUNT

For the year ended 31st December 2004

Chongqing Iron & Steel Company Limited

	<i>Note</i>	2004 <i>Rmb'000</i>	2003 <i>Rmb'000</i>
TURNOVER	4	8,551,923	5,609,309
COST OF SALES		(7,237,096)	(4,221,603)
GROSS PROFIT		1,314,827	1,387,706
OTHER REVENUES	4	23,161	12,694
DISTRIBUTION COSTS		(138,936)	(136,283)
ADMINISTRATIVE EXPENSES		(202,833)	(156,342)
OTHER OPERATING EXPENSES		(41,302)	(72,838)
OPERATING PROFIT	5	954,917	1,034,937
NET FINANCE COSTS	8	(82,761)	(67,156)
PROFIT BEFORE TAXATION		872,156	967,781
TAXATION (CHARGE)/CREDIT	9	(28,433)	9,258
PROFIT ATTRIBUTABLE TO SHAREHOLDERS		843,723	977,039
TRANSFER TO RESERVES	20	128,703	146,329
DIVIDENDS	10	159,592	212,789
EARNINGS PER SHARE	11	Rmb0.793	Rmb0.918