

PROFIT AND LOSS STATEMENT

(prepared under PRC accounting Standards and Systems)
2004

Unit: RMB

Item	Notes	Consolidated		Parent Company	
		For the year 2004	For the year 2003	For the year 2004	For the year 2003
1. Principal operating income	(V)22	2,363,402,750.52	2,840,445,524.78	2,200,943,805.48	2,195,271,346.06
Less: principal operating costs	(V)23	2,244,788,273.69	2,752,741,517.95	2,117,215,922.51	2,148,094,053.12
Principal operating tax & surcharge	(V)24	1,954,000.66	3,327,999.41	1,084,124.65	1,843,161.46
2. Principal operating profit		116,660,476.17	84,376,007.42	82,643,758.32	45,334,131.48
Add: Profit from other operations	(V)27	15,240,626.54	17,451,384.30	17,109,079.33	11,279,884.71
Less: selling expenses	(V)26	2,596,263.10	3,944,434.97	1,927,665.66	2,553,738.12
Administrative expenses	(V)26	143,506,434.08	141,954,555.42	114,430,311.14	115,016,175.05
Financial expenses	(V)25	9,160,152.45	35,080,248.84	7,445,907.33	26,283,775.16
3. Operating profit		23,361,746.92	-79,151,847.51	-24,051,046.48	-87,239,672.14
Add: investment income	(V)28	-291,128.96	3,343,600.48	-1,923,112.59	7,493,032.95
Subsidy income	(V)29	60,988,568.41	123,880,350.78	60,616,062.55	122,706,025.14
Non-operating income	(V)30(1)	6,020,405.94	11,198,705.57	5,999,849.46	11,001,768.09
Less: non-operating expenses	(V)30(2)	10,429,768.43	14,402,489.81	6,811,539.82	12,175,135.00
4. Total profit		32,926,330.04	44,868,319.51	33,830,213.12	41,786,019.04
Less: income tax		1,751,986.39	1,916,469.69	—	—
Minority interests		-293,353.94	-99,924.93	—	—
Add: unconfirm investment income		—	—	—	—
5. Net profit		33,672,983.77	43,051,774.75	33,830,213.12	41,786,019.04
Add: retained earnings at the beginning of the year		-570,212,867.94	-613,264,642.69	-570,907,870.38	-612,693,889.42
Transfer from surplus reserves		—	—	—	—
6. Distributable profit		-536,539,884.17	-570,212,867.94	-537,027,657.26	-570,907,870.38
Appropriation to statutory surplus reserve		—	—	—	—
Appropriation to statutory public welfare fund		—	—	—	—
appropriation to staff award and welfare fund		—	—	—	—
Appropriation to reserve fund		—	—	—	—
Apropreation to development fund		—	—	—	—
Profit investment		—	—	—	—

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7. Profit distributable to shareholders		-536,539,884.17	-570,212,867.94	-537,077,657.26	-570,907,870.38
Less: preference shares dividends					
Payable		—	—	—	—
Appropriation to discretionary					
surplus reserve		—	—	—	—
ordinary shares dividends payable		—	—	—	—
Ordinary shares dividend		—	—	—	—
8. Retained earnings		-536,539,884.17	-570,212,867.94	-537,077,657.26	-570,907,870.38

Additional information:

1. Income from selling and deposing dept. or invested Co.
2. Loss from nature disaster
3. The increased (or decreased) total profit result from the change of accounting policy
4. The increased (or decreased) total profit result from the change of accounting estimate
5. Loss from liabilities reorganization
6. Others