

CONSOLIDATED INCOME STATEMENT AND PROFIT APPROPRIATION STATEMENT

for the year ended 31 December 2001

	Note	2001 RMB millions	2000 RMB millions
Income from principal operations	32	304,347	322,932
Less: Cost of sales		236,135	249,234
Sales taxes and surcharges	33	11,863	12,101
Profit from principal operations		56,349	61,597
Add: Profit from other operations		1,535	1,028
Less: Selling expenses		12,300	11,583
Administrative expenses		14,369	17,172
Financial expenses	34	3,596	4,843
Exploration expenses, including dry holes	35	3,775	2,883
Operating profit		23,844	26,144
Add: Investment income	36	546	235
Non-operating income		769	215
Less: Non-operating expenses	37	3,508	657
Profit before taxation		21,651	25,937
Less: Taxation	38	7,092	7,954
Minority interests		541	1,829
Net profit		14,018	16,154
Add: Undistributed profits at the beginning of the year as previously reported		6,212	—
Less: Write-off of debit balance of Housing Revolving Fund, net of the amount attributable to minority interests		484	—
Undistributed profits at the beginning of the year (as restated)		5,728	—
Distributable profits		19,746	16,154
Less: Transfer to statutory surplus reserve	31	1,402	1,615
Transfer to statutory public welfare fund	31	1,402	1,615
Distributable profits to shareholders		16,942	12,924
Less: Dividends	39	6,936	6,712
Undistributed profits		10,006	6,212

The notes on the financial statements form part of these financial statements.