

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

for the year ended 31 December 2002

(Amounts in millions except per share data)

	Note	2002 RMB	2001 RMB
Turnover and other operating revenues			
Turnover	3	324,184	304,347
Other operating revenues	4	15,858	14,124
		340,042	318,471
Operating expenses			
Purchased crude oil, products and operating supplies and expenses		(235,245)	(220,313)
Selling, general and administrative expenses	5	(21,088)	(17,138)
Depreciation, depletion and amortisation		(24,282)	(22,430)
Exploration expenses, including dry holes		(4,363)	(3,775)
Personnel expenses	6	(13,625)	(12,889)
Employee reduction expenses	7	(244)	(2,546)
Taxes other than income tax	8	(11,852)	(11,887)
Other operating expenses, net	9	(1,066)	(193)
Total operating expenses		(311,765)	(291,171)
Operating profit		28,277	27,300
Finance costs			
Interest expense	10	(4,018)	(4,706)
Interest income		338	1,183
Foreign exchange losses		(312)	(222)
Foreign exchange gains		47	593
Net finance costs		(3,945)	(3,152)
Investment income		190	199
Share of profits less losses from associates and jointly controlled entities		310	320
Profit from ordinary activities before taxation		24,832	24,667
Taxation	11	(7,635)	(8,029)
Profit from ordinary activities after taxation		17,197	16,638
Minority interests		(1,117)	(613)
Profit attributable to shareholders		16,080	16,025
Basic earnings per share	15	0.19	0.19
Dividends attributable to the year:	16		
Interim dividend declared during the year		1,734	—
Final dividend proposed after the balance sheet date		5,202	6,936
		6,936	6,936

The notes on pages 120 to 142 form part of these financial statements.