

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2003
(Amounts in thousands, except per share data)

	Note	<u>2003</u> RMB	<u>2002</u> RMB
Turnover	3	11,473,928	9,443,061
Cost of sales		<u>(9,723,562)</u>	<u>(8,368,029)</u>
Gross profit		1,750,366	1,075,032
Selling, general and administrative expenses		(721,418)	(530,571)
Other operating income		73,243	55,979
Other operating expenses		<u>(59,148)</u>	<u>(58,882)</u>
Profit from operations		1,043,043	541,558
Net financing costs	4(a)	<u>(165,936)</u>	<u>(210,830)</u>
Profit from ordinary activities before taxation	4	877,107	330,728
Income tax expense	5	<u>(243,222)</u>	<u>(121,629)</u>
Profit attributable to shareholders		<u>633,885</u>	<u>209,099</u>
Dividends attributable to the year:	7		
Final dividend proposed after the balance sheet date		<u>168,700</u>	<u>-</u>
Basic earnings per share	8	<u>0.19</u>	<u>0.06</u>

The notes on pages 45 to 70 form part of these financial statements.