

Consolidated Cash Flow Statement

For the year ended 31 December, 2004

(Prepared under International Financial Reporting Standards)

(Expressed in Renminbi)

	Note	2004 RMB million	2003 RMB million
Cash inflows from operations	34 (a)	4,555	3,075
Interest received		22	13
Interest paid		(754)	(924)
Income tax paid		(227)	(35)
Net cash inflows from operating activities		3,596	2,129
Investing activities:			
Proceeds from disposal of property, plant and equipment		47	57
Dividends received from associates		12	–
Dividends received from jointly controlled entities		5	–
Dividends received from equity securities held for trading		13	–
(Increase)/decrease in long term receivables		(9)	6
Payment of lease and equipment deposits		(3,151)	(1,852)
Refund of lease and equipment deposits		1,253	1,066
Capital expenditures		(6,631)	(4,707)
Purchase of other investments		(680)	(1)
Investment in an associate		(9)	–
Investments in jointly controlled entities		(72)	(3)
Effect of the CNA/XJA Acquisitions	34 (b)	398	–
Net cash used in investing activities		(8,824)	(5,434)
Net cash outflows before financing activities		(5,228)	(3,305)
Financing activities:			
Proceeds from A Shares issue, net of issuance costs		–	2,641
Proceeds from bank and other loans		14,555	8,914
Repayment of bank and other loans		(7,108)	(8,371)
Repayment of principal under finance lease obligations		(1,272)	(1,555)
Capital contribution received from minority shareholders		71	1
Dividends paid to minority shareholders		(15)	(15)
Net cash inflows from financing activities		6,231	1,615
Increase/(decrease) in cash and cash equivalents		1,003	(1,690)
Cash and cash equivalents at beginning of year		2,080	3,770
Cash and cash equivalents at end of year		3,083	2,080

The notes on pages 51 to 99 form part of these financial statements.