

Consolidated Cash Flow Statement

For the year ended December 31, 2005

	Note	2005 RMB'000	As restated 2004 RMB'000
Cash flow from operating activities			
Operating profit after finance costs		9,714,328	8,800,102
Depreciation of property, plant and equipment	25	2,477,877	2,350,711
Loss on disposal of property, plant and equipment		63,355	43,740
Impairment loss on property, plant and equipment	6	4,225	20,227
Amortization of intangible assets	5	36,396	58,468
Amortization of land use rights	7	10,671	890
(Gain)loss on financial assets at fair value through profit or loss	20	(5,582)	514
Realized and unrealized (gain)loss on futures contracts	20	(5,760)	25,492
Income from held-to-maturity investments	20	(193)	(351)
Interest waived	20	(14,711)	(9,777)
Interest income	20	(89,363)	(61,540)
Interest expense	26	404,478	120,800
Operating profit before working capital changes		12,595,721	11,349,276
Increase in inventories		(1,972,698)	(1,164,495)
Decrease(increase) in accounts receivable and other current assets		702,941	(982,300)
Increase in accounts payable and other payables and accruals		616,847	1,255,177
Cash generated from operating activities		11,942,811	10,457,658
Interest paid		(686,432)	(456,291)
PRC income taxes paid		(2,666,171)	(1,736,164)
		(3,352,603)	(2,192,455)
Net cash inflow from operating activities		8,590,208	8,265,203

Consolidated Cash Flow Statement (Continued)

For the year ended December 31, 2005

	Note	2005 RMB'000	As restated 2004 RMB'000
Investing activities			
Purchase of intangible assets	5	(28,722)	(81,606)
Purchase of property, plant and equipment, excluding interest capitalized		(7,986,073)	(8,972,400)
Purchase of land use rights	7	(56,898)	—
Sale of property, plant and equipment		9,355	53,864
Purchase of financial assets at fair value through profit or loss/short-term listed investments		—	(3,405)
Investment in a jointly controlled entity	9(a)	(117,150)	(49,500)
Investment in an associated company	9(b)	(799,038)	(45,000)
Disposal of held-to-maturity investments		11,053	—
Disposal of financial assets at fair value through profit or loss/short-term listed investments		47,754	11,441
Gain(loss) on settlement of futures contracts		9,148	(30,764)
Interest received	20	89,363	61,540
Net cash used in investing activities		(8,821,208)	(9,055,830)

Consolidated Cash Flow Statement *(Continued)*

For the year ended December 31, 2005

	Note	2005 RMB'000	As restated 2004 <i>RMB'000</i>
Net cash outflow before financing		(231,000)	(790,627)
Financing activities	31		
Issue of shares		—	3,300,648
Share issue expenses		—	(49,998)
Issue of bonds		1,943,200	—
New loans borrowed		6,987,888	7,302,829
Repayment of amounts borrowed		(5,478,648)	(5,418,356)
		1,509,240	1,884,473
Dividends paid by subsidiaries to minority shareholders		(83,636)	(16,885)
Capital injection by minority shareholders		180,938	360,500
Dividends paid		(1,944,778)	(1,060,788)
Net cash inflow from financing activities		1,604,964	4,417,950
Increase in cash and cash equivalents		1,373,964	3,627,323
Cash and cash equivalents at beginning of the year		6,223,763	2,596,440
Cash and cash equivalents at end of the year		7,597,727	6,223,763
Analysis of balances of cash and cash equivalents:			
Bank balances and cash	14	7,597,727	6,223,763

The notes on pages 64 to 148 are an integral part of these consolidated financial statements