

# CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December 2006  
(Amounts in millions)

	Note	2006 RMB	2005 RMB
<b>Net cash generated from operating activities</b>	(a)	<b>95,875</b>	<b>78,214</b>
<b>Investing activities</b>			
Capital expenditure		(70,604)	(63,993)
Exploratory wells expenditure		(7,985)	(5,810)
Capital expenditure by jointly controlled entities		(382)	(2,474)
Acquisitions of minority interests in subsidiaries		(21,971)	(4,324)
Purchase of investments, investments in associates and subsidiaries, net of cash acquired		(3,571)	(3,650)
Proceeds from disposal of investments and investments in associates		717	1,264
Proceeds from disposal of property, plant and equipment		406	567
Purchase of time deposits with financial institutions		(916)	(565)
Maturity of time deposits with financial institutions		1,283	1,462
<b>Net cash used in investing activities</b>		<b>(103,023)</b>	<b>(77,523)</b>
<b>Financing activities</b>			
Proceeds from bank and other loans		764,659	554,187
Proceeds from bank and other loans of jointly controlled entities		87	3,954
Proceeds of issuance of corporate bonds, net of issuing expenses		22,689	9,875
Repayments of bank and other loans		(754,159)	(557,692)
Repayments of corporate bonds		(21,000)	—
Distributions to minority interests		(852)	(1,682)
Contributions from minority interests		1,255	129
Dividend paid		(11,271)	(10,404)
Distributions to Sinopec Group Company		(216)	(3,218)
<b>Net cash generated from/(used in) financing activities</b>		<b>1,192</b>	<b>(4,851)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(5,956)</b>	<b>(4,160)</b>
<b>Effect of foreign exchange rate changes</b>		<b>(25)</b>	<b>(22)</b>
<b>Cash and cash equivalents at 1 January</b>		<b>14,069</b>	<b>18,251</b>
<b>Cash and cash equivalents at 31 December</b>		<b>8,088</b>	<b>14,069</b>

The notes on pages 123 to 160 form part of these financial statements.