

## Consolidated Cash Flow Statement

Year ended 31 December 2000  
(Prepared under International Accounting Standards)

	2000 <i>RMB'000</i>	1999 <i>RMB'000</i>
<b>OPERATING ACTIVITIES</b>		
Operating profit/(loss) before taxation and share of profits/(losses) of joint ventures	(914,770)	232,453
Depreciation	811,168	754,830
Interest expense, net	641,124	599,133
Fixed assets written off	610,184	24,443
Amortisation of production catalysts	–	34,336
Amortisation of deferred staff costs	4,204	4,204
Amortisation of intangible assets	51,656	49,930
Other non-cash income	–	(1,078)
Movement in inventories	(245,531)	(241,865)
Movement in accounts receivable	(113,124)	(74,983)
Movement in prepayments, other receivables, deferred expenses and VAT receivable	118,538	163,160
Movement in accounts payable	122,427	(55,009)
Movement in advances from customers	(50,490)	(5,530)
Movement in accrued expenses and other payables	654,309	(557,032)
Movement in balances with CNPC Group Companies	(42,206)	(125,415)
Movement in balances with PetroChina Group Companies	(1,435,915)	(207,864)
Taxes paid	(74,231)	(4,748)
	<b>137,343</b>	588,965
<b>INVESTING ACTIVITIES</b>		
Capital expenditure on construction in progress and intangible assets	(1,087,983)	(182,051)
Capital expenditure on fixed assets	(309,002)	(309,050)
Dividends received	–	303
	<b>(1,396,985)</b>	(490,798)
<b>NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING ACTIVITIES</b>	<b>(1,259,642)</b>	98,167
<b>FINANCING ACTIVITIES</b>		
Interest paid	(682,880)	(238,398)
Proceeds from borrowings	4,474,984	1,741,399
Proceeds from issue of shares	485,518	–
Repayment of borrowings	(3,021,853)	(1,574,530)
Investment received from minority shareholder of a subsidiary	–	24,835
Proceeds on disposal of government bond	90	–
Dividends paid to minority shareholder of a subsidiary	(2,739)	(166)
Dividends paid	(11,300)	(34,111)
	<b>1,241,820</b>	(80,971)
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(17,822)</b>	17,196
Cash and cash equivalents at beginning of year	<b>246,786</b>	229,590
	<b>228,964</b>	246,786
<b>Non-cash transactions:</b>		
Capital expenditure financed by JCGC Group Companies	–	33,357
Housing subsidy payable to JCGC written back to reserves (note 28)	<b>84,089</b>	–