

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2000

(Prepared in accordance with PRC Accounting Rules and Regulations)

(Expressed in Thousand Renminbi Yuan)

	2000
	Rmb'000
	<i>Note</i>
1. Cash Flows from Operating Activities:	
Cash received from sale of goods	11,311,738
Refund of taxes and levies	16,236
Other cash received relating to operating activities	74,459
Sub-total of cash inflows	<u>11,402,433</u>
Cash paid for goods	7,470,115
Cash paid to and on behalf of employees	556,297
Amounts of VAT levied	511,757
Income tax paid	76,375
Taxes paid other than VAT and income tax	367,934
Other cash paid relating to operating activities	307,422
Sub-total of cash outflows	<u>9,289,900</u>
Net cash flow from operating activities	<i>(a)</i> <u>2,112,533</u>
2. Cash Flows from Investing Activities:	
Dividend received	1,139
Net cash received from disposal of fixed assets	296
Other cash received relating to investing activities	90,384
Sub-total of cash inflows	<u>91,819</u>
Cash paid for acquisition of fixed assets, construction in progress and long-term assets	438,608
Other cash paid relating to investing activities	191,034
Sub-total of cash outflows	<u>629,642</u>
Net cash flow from investing activities	<u>(537,823)</u>
3. Cash Flows from Financing Activities:	
Proceeds from borrowings	6,871,000
Proceeds from other financing activities	1,000
Sub-total of cash inflows	<u>6,872,000</u>
Dividend paid	440,000
Repayment of borrowings	7,700,556
Interest paid	107,602
Other cash paid relating to financing activities	5,200
Sub-total of cash outflows	<u>8,253,358</u>
Net cash flow from financing activities	<u>(1,381,358)</u>
Net Increase in Cash and Cash Equivalents	<i>(b)</i> <u>193,352</u>

SINOPEC YIZHENG CHEMICAL FIBRE COMPANY LIMITED

2000

Rmb'000

Notes:**(a) Reconciliation of Net Profit to Cash Flows from Operating Activities**

Net profit	840,228
<i>Add:</i> Provision for bad and doubtful debts or bad debts written off	(39,899)
Minority interests	5,874
Depreciation of fixed assets	676,746
Amortisation of intangible assets	21,371
Amortisation of long-term deferred expenses	6,271
Interest and investment income	(55,650)
Interest expenses	103,160
Loss on disposal of fixed assets	75,770
Increase in inventories	(110,075)
Decrease in operating receivables	311,200
Increase in operating payables	277,537
	<u>2,112,533</u>
Net cash flows from operating activities	<u>2,112,533</u>

(b) Net Increase in Cash and Cash Equivalents

Cash at the end of the year	241
<i>Less:</i> Cash at the beginning of the year	(311)
<i>Add:</i> Cash equivalents at the end of the year	600,773
<i>Less:</i> Cash equivalents at the beginning of the year	(407,351)
	<u>193,352</u>
Net increase in cash and cash equivalents	<u>193,352</u>

YIZHENG IS WEAVING A GLOBAL NETWORK