

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	9,702,283
Refund of taxes and levies	16,236
Other cash received relating to operating activities	90,601
	<hr/>
Sub-total of cash inflows	9,809,120
	<hr/>
Cash paid for goods	6,167,324
Cash paid to and on behalf of employees	502,044
Amounts of VAT levied	465,237
Income tax paid	71,111
Taxes paid other than VAT and income tax	362,393
Other cash paid relating to operating activities	238,640
	<hr/>
Sub-total of cash outflows	7,806,749
	<hr/>
Net cash flow from operating activities	<i>(a)</i> 2,002,371
	<hr/>
2. Cash Flows from Investing Activities:	
Dividend received	1,139
Other cash received relating to investing activities	100,860
	<hr/>
Sub-total of cash inflows	101,999
	<hr/>
Cash paid for acquisition of fixed assets, construction in progress and other long-term assets	430,094
Other cash paid relating to investing activities	214,287
	<hr/>
Sub-total of cash outflows	644,381
	<hr/>
Net cash flow from investing activities	(542,382)
	<hr/>
3. Cash Flows from Financing Activities:	
Proceeds from borrowings	6,871,000
	<hr/>
Sub-total of cash inflows	6,871,000
	<hr/>
Dividend paid	440,000
Repayment of borrowings	7,610,556
Interest paid	103,233
	<hr/>
Sub-total of cash outflows	8,153,789
	<hr/>
Net cash flow from financing activities	(1,282,789)
	<hr/>
Net Increase in Cash and Cash Equivalents	<i>(b)</i> 177,200
	<hr/> <hr/>

SINOPEC YIZHENG CHEMICAL FIBRE COMPANY LIMITED

2000

Rmb'000

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

Net profit	845,178
<i>Add:</i> Provision for bad and doubtful debts or bad debts written off	(32,199)
Depreciation of fixed assets	602,316
Amortisation of intangible assets	19,390
Amortisation of long-term deferred expenses	6,271
Interest and investment income	(126,926)
Interest expenses	98,944
Loss on disposal of fixed assets	31,250
Increase in inventories	(84,381)
Decrease in operating receivables	325,291
Increase in operating payables	317,237

Net cash flows from operating activities

2,002,371

(b) Net increase in Cash and Cash Equivalents

Cash at the end of the year	142
<i>Less:</i> Cash at the beginning of the year	(88)
<i>Add:</i> Cash equivalents at the end of the year	425,647
<i>Less:</i> Cash equivalents at the beginning of the year	(248,501)

Net increase in cash and cash equivalents

177,200

YIZHENG IS MEANING A GLOBAL NETWORK