

# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

FOR THE SIX MONTHS ENDED JUNE 30, 2001

*(Amounts expressed in thousands of Renminbi)*

	Note	Six months ended June 30	
		2001	2000
<b>Cash flows from operating activities</b>			
<b>Cash generated from operating activities</b>	10	255,166	316,699
Interest paid		-	(26)
Enterprise income tax paid		(81,684)	(69,964)
<b>Net cash from operating activities</b>		173,482	246,709
<b>Cash flows from investing activities</b>			
Purchases of property, plant, equipment and intangible assets		(209,917)	(40,129)
(Increase) decrease in short-term bank deposit		(1,168,347)	3,784
Interest received		18,010	1,208
Dividends received from associated companies		35	153
Proceeds from disposal of property, plant and equipment		787	366
<b>Net cash used in investing activities</b>		(1,359,432)	(34,618)
<b>Cash flows from financing activities</b>			
Contribution from shareholders		1,258,156	239,770
Fund contributed by CAAC		-	40,000
Dividends paid to minority owners of subsidiaries		-	(2,480)
Distribution to CACI		-	(422,016)
<b>Net cash provided by (used in) financing activities</b>		1,258,156	(144,726)
<b>Net increase in cash and cash equivalents</b>		72,206	67,365
<b>Cash and cash equivalents, beginning of period</b>		584,729	163,037
<b>Cash and cash equivalents, end of period</b>		656,935	230,402