

# Consolidated Cash Flow Statement

For the period from September 10, 2001 (Date of Incorporation) to December 31, 2001

	Consolidated period from September 10, 2001 (date of incorporation) to December 31, 2001 RMB'000	(Note 1) Pro forma combined year ended December 31, 2001 RMB'000	(Note 1) Pro forma combined year ended December 31, 2000 RMB'000
Operating profit after finance costs	784,170	2,408,735	4,246,131
Net effect of reconciliation of profit for the period from July 1, 2001 to September 9, 2001 to net cash flow from operating activities	712,751	—	—
Depreciation	580,737	1,797,225	1,368,281
Loss on disposal of fixed assets	13,617	34,922	40,350
Impairment loss on fixed assets	17,019	18,552	4,032
Unrealized loss/(gain) on short-term investments	1,108	(2,303)	(3,560)
Loss on disposal of long-term investments	—	574	—
Increase in inventories	(389,735)	(501,823)	(570,277)
Increase in accounts receivable and other receivables, including amounts due from related parties	(237,965)	(820,832)	(148,151)
Amortization of intangible assets	10,738	17,079	—
Increase / (decrease) in accounts payable and other payables, including amounts due to related parties	250,705	(307,424)	495,929
Interest waived	(103,000)	(103,265)	(37,115)
Interest income	(12,646)	(42,767)	(53,276)
Interest expense	170,684	549,410	708,233
Dividend income	(19)	(19)	(889)
<b>Net cash inflow from operating activities</b>	<b>1,798,164</b>	<b>3,048,064</b>	<b>6,049,688</b>
<b>Returns on investments and servicing of finance</b>			
Interest received	21,895	42,767	53,276
Interest paid	(45,084)	(523,445)	(1,641,565)
Dividends received from a jointly controlled entity	—	264	672
Dividends received from long-term investments	19	19	889
Profit distributed to owner	—	(62,237)	(84,319)
Dividends paid by a subsidiary to minority shareholders	—	(79,993)	(25,233)
<b>Net cash outflow from returns on investments and servicing of finance</b>	<b>(23,170)</b>	<b>(622,625)</b>	<b>(1,696,280)</b>
<b>Taxation</b>			
PRC income taxes paid	(251,642)	(484,470)	(223,671)
<b>Investing activities</b>			
Purchase of fixed assets, excluding interest capitalized	(1,599,249)	(2,944,541)	(1,776,143)
Sale of fixed assets	57,341	70,845	81,351
Purchase of a subsidiary	(179,400)	(179,400)	—
Purchase of investments	(3,249)	(3,249)	(5,534)
Sale of investments	830	8,986	220
Net decrease / (increase) in bank deposits with initial term of over three months	231,300	471,742	(316,766)
<b>Net cash outflow from investing activities</b>	<b>(1,492,427)</b>	<b>(2,575,617)</b>	<b>(2,016,872)</b>
<b>Net cash inflow / (outflow) before financing</b>	<b>30,925</b>	<b>(634,648)</b>	<b>2,112,865</b>

# Consolidated Cash Flow Statement (continued)

For the period from September 10, 2001 (Date of Incorporation)  
to December 31, 2001

	Note	Consolidated period from September 10, 2001 (date of incorporation) to December 31, 2001 RMB'000	(Note 1) Pro forma combined year ended December 31, 2001 RMB'000	(Note 1) Pro forma combined year ended December 31, 2000 RMB'000
<b>Financing</b>	32			
Issue of shares		3,441,674	3,441,674	—
Share issue expenses		(343,075)	(343,075)	—
Purchases of minority interests — partial payments		—	(489)	—
New loans borrowed		1,513,032	4,127,096	2,234,033
Repayment of amounts borrowed		(1,581,934)	(3,319,483)	(3,855,501)
		(68,902)	807,613	(1,621,468)
Decrease/(increase) in bank deposits pledged		162,450	(47,274)	(87,190)
Net distributions to owner		—	(750,362)	(802,430)
Net contributions from minority shareholders		—	—	1,200
<b>Net cash inflow / (outflow) from financing</b>		<u>3,192,147</u>	<u>3,108,087</u>	<u>(2,509,888)</u>
<b>Increase / (decrease) in cash and cash equivalents</b>		3,223,072	2,473,439	(397,023)
<b>Cash and cash equivalents at beginning of the period/year</b>		<u>1,050,579</u>	<u>1,800,212</u>	<u>2,197,235</u>
<b>Cash and cash equivalents at end of the period/year</b>		<u><u>4,273,651</u></u>	<u><u>4,273,651</u></u>	<u><u>1,800,212</u></u>
<b>Analysis of balances of cash and cash equivalents:</b>				
Bank balances and cash, not pledged		4,348,751	4,348,751	2,379,894
Less: Term deposits with initial term of over three months		(75,100)	(75,100)	(546,842)
Less: Bank loans repayable within three months from the date of advance		—	—	(32,840)
		<u><u>4,273,651</u></u>	<u><u>4,273,651</u></u>	<u><u>1,800,212</u></u>