

Cash Flow Statement

*For the year ended 31 December 2002
(All amounts in RMB)*

Items	Notes	Consolidated 2002	Company 2002
1. Cash flows from operating activities			
Cash received from sales of goods and services rendered		3,608,677,920	862,056,418
Refunds of taxes		47,715,051	7,990,225
Other cash received relating to operating activities		45,866,880	42,626,201
Sub-total of cash inflows		3,702,259,851	912,672,844
Cash paid for purchases of goods and services rendered		(2,031,095,925)	(802,628,204)
Cash paid to and on behalf of employees		(122,501,903)	(6,932,850)
Taxes paid		(458,471,472)	(65,050,199)
Other cash paid relating to operating activities		(182,053,620)	(575,543,634)
Sub-total of cash outflows		(2,794,122,920)	(1,450,154,887)
Net cash flows from operating activities		908,136,931	(537,482,043)
2. Cash flows from investing activities			
Cash received from investments disposed	5.33	1,784,786	1,785,000
Cash received from returns on investments		(1,214,205)	51,245,327
Net cash received from disposals of fixed assets, intangible assets and other long-term assets		2,952,097	—
Other cash received relating to investment activities		6,412,746	5,521,136
Sub-total of cash inflows		9,935,424	58,551,463
Cash paid to acquire fixed assets, intangible assets and other long-term assets		(2,126,804,258)	(205,328)
Cash paid for investments	5.33	(27,661,400)	(272,161,400)
Other cash paid relating to investment activities		—	—
Sub-total of cash outflows		(2,154,465,658)	(272,366,728)
Net cash flows from investing activities		(2,144,530,234)	(213,815,265)

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3. Cash flows from financing activities:		
Cash received from investments	813,680,603	813,680,603
Including: Cash received from injections by minority interests in subsidiaries	—	—
Cash received from loans	1,953,208,344	455,000,000
Other cash received relating to financing activities	—	—
Sub-total of cash inflows	2,766,888,947	1,268,680,603
Cash paid for debt repayments	(1,068,795,629)	(370,000,000)
Cash paid for distributing dividends, profit or repaying interest	(266,857,516)	(71,330,304)
Including: Dividends paid to minority shareholder of subsidiaries	(50,402,296)	—
Other cash paid relating to financing activities	(3,833,129)	(3,833,129)
Including: Cash paid to minority shareholders upon reduction of capital of subsidiaries	—	—
Sub-total of cash outflows	(1,339,486,274)	(445,163,433)
Net cash flows from financing activities	1,427,402,673	823,517,170
4. Effects of changes in exchange rates on cash	—	—
5. Net increase in cash and cash equivalents	191,009,370	72,219,862

The accompanying notes to financial statements form an integral part of these financial statements.

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*For the year ended 31 December 2002
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	Consolidated 2002	Company 2002
Supplementary information		
1. Reconciliation of net profit to cash flows from operating activities		
Net profit	263,758,426	263,758,426
Add: Minority interests	107,628,949	—
Provisions for impairment of assets	8,297,442	3,436,339
Depreciation of fixed assets	281,554,116	725,456
Amortisation of intangible assets	14,379,569	—
Amortisation of long-term deferred expenditures	5,258,162	—
Decrease (increase) in deferred expenses	(3,674,709)	3,041
Increase (decrease) in accrued expenses	31,001,572	613,069
Loss (gain) on disposal of fixed assets, intangible assets and other long-term assets	19,167,438	—
Loss (gain) on retirement of fixed assets	—	—
Financial expenses (income)	94,629,266	19,192,872
Loss (gain) on investments	1,336,987	(344,072,564)
Deferred tax credits (debits)	—	—
Decrease (increase) in inventories	(78,434,034)	—
Decrease (increase) in operating receivables	14,553,293	79,632,444
Increase (decrease) in operating payables	148,680,454	(560,771,126)
Others	—	—
Net cash inflows from operating activities	908,136,931	(537,482,043)
2. Investing and financing activities not involving cash receipts and payments		
Bonds converted into share capital	—	—
Convertible bonds due within one year	—	—
Transfer of finance leases to fixed assets	—	—
3. Net increase/(decrease) in cash and cash equivalents		
Cash at end of year	797,872,578	355,289,378
Less: Cash at beginning of year	(594,046,367)	(270,252,675)
Cash equivalents at end of year	1,574,200	1,574,200
Less: Cash equivalents at beginning of year	(14,391,041)	(14,391,041)
Net increase in cash and cash equivalents	191,009,370	72,219,862

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