

Consolidated Cash Flow Statement

31 December 2002

(All amounts expressed in thousands of Renminbi)

	Notes	2002	2001
OPERATING ACTIVITIES			
Cash generated from operations	35(a)	17,261,970	14,024,982
Income taxes paid		(3,013,279)	(2,611,450)
Income tax refund		167,065	–
Interest received		147,870	317,706
Dividends received		90,000	99,000
Short-term investment income received		79,679	53,641
Interest paid		(136,222)	(124,422)
Net cash from operating activities		14,597,083	11,759,457
INVESTING ACTIVITIES			
Additions of property, plant and equipment		(6,832,746)	(4,342,622)
Proceeds from disposals of property, plant and equipment		446	6,313
Acquisition of subsidiaries	35(b)	(4,734,174)	–
(Increase) Decrease in time deposits with maturities over three months		(2,640,000)	1,374,512
Additions of short-term investments		(3,399,413)	(8,699,312)
Disposals of short-term investments		5,882,305	308,506
Increase in amounts due from related companies		–	(13,831)
Net cash used in investing activities		(11,723,582)	(11,366,434)
FINANCING ACTIVITIES			
Issue of 6.375% long-term guaranteed notes		4,059,345	–
Repayment of bank loans		(3,367,347)	(3,497,533)
Dividends paid		(2,265,054)	(4,268,517)
Increase (Decrease) in an amount due to the parent company		144,945	(1,657,004)
Proceeds from issue of share capital		–	10,101,564
Proceeds from new bank loans		–	2,500,000
Increase in amounts due to related companies		–	25,564
Net cash (used in)/from financing activities		(1,428,111)	3,204,074
NET INCREASE IN CASH AND CASH EQUIVALENTS		1,445,390	3,597,097
Cash and cash equivalents at beginning of year		6,393,724	2,796,627
CASH AND CASH EQUIVALENTS AT END OF YEAR		7,839,114	6,393,724
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances		7,839,114	6,393,724