

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2002

(All amounts expressed in thousands of Renminbi ("Rmb"))

| | Note | 2002 | 2001 |
|---|-------|------------------|------------------|
| Cash flows from operating activities | | | |
| Cash generated from operations | 37(a) | 1,374,909 | 1,104,092 |
| Interest paid | | (118,548) | (148,670) |
| Tax paid | | (244,255) | (189,687) |
| Net cash from operating activities | | 1,012,106 | 765,735 |
| Cash flows from investing activities | | | |
| Acquisition of subsidiary, net of cash acquired | | – | 3,853 |
| Purchase of property, plant and equipment | | (238,176) | (174,413) |
| Purchase of intangible assets | | (8,334) | (999) |
| Investment in an associated company | | (4,814) | – |
| Sale of trading investments | | 410,000 | 209,511 |
| Purchase of trading investments | | (350,000) | – |
| (Increase)/decrease in temporary cash investments | | (71,307) | 248,395 |
| Proceeds from sale of property, plant and equipment | 37(b) | 5,398 | 2,724 |
| Interest received | | 16,076 | 30,821 |
| Net cash (used in)/from investing activities | | (241,157) | 319,892 |
| Cash flows from financing activities | | | |
| Draw down of short-term bank loans | | 300,000 | 200,000 |
| Repayment of short-term bank loans | | (300,000) | (300,000) |
| Draw down of long-term bank loans | | 8,524 | 23,204 |
| Repayment of long-term bank loans | | (642,000) | (140,000) |
| Dividends paid | | (199,307) | (214,923) |
| Dividends paid to minority interests | | (2,400) | – |
| Net cash used in financing activities | | (835,183) | (431,719) |
| Effect of exchange rate changes | | (5,716) | 1,483 |
| Net (decrease)/increase in cash and cash equivalents | | (69,950) | 655,391 |
| Cash and cash equivalents at beginning of year | | 1,249,144 | 593,753 |
| Cash and cash equivalents at end of year | 23 | 1,179,194 | 1,249,144 |

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