

## Cash Flow Statements *(unaudited)*

	Six-month period ended 30 June 2003	
	The Group RMB'000	The Company RMB'000
<b>Cash flows from operating activities:</b>		
Cash received from sale of goods and rendering of services	16,887,965	15,449,173
Other cash received relating to operating activities	6,577	2,790
<b>Sub-total of cash inflows</b>	<b>16,894,542</b>	<b>15,451,963</b>
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Cash paid for goods and services	(14,288,838)	(13,283,474)
Cash paid to and on behalf of employees	(669,031)	(425,934)
Income tax paid	(103,738)	(89,658)
Taxes paid other than income tax	(296,917)	(287,589)
Other cash paid relating to operating activities	(23,255)	(20,335)
<b>Sub-total of cash outflows</b>	<b>(15,381,779)</b>	<b>(14,106,990)</b>
<b>Net cash flows from operating activities</b>	<b>1,512,763</b>	<b>1,344,973</b>
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<b>Cash flows from investing activities:</b>		
Net cash received from disposal of investments	29,287	-
Maturity of time deposits with financial institutions	84,095	26,095
Cash received from investment income	20,829	17,931
Cash received from disposal of fixed assets	11,718	5,988
Other cash received relating to investing activities	12,995	8,657
<b>Sub-total of cash inflows</b>	<b>158,924</b>	<b>58,671</b>
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Cash paid for acquisition of fixed assets and other long-term assets	(910,446)	(844,866)
Cash paid for purchase of investments	(147,129)	(135,795)
Increase in time deposits with financial institutions	(142,435)	(26,435)
<b>Sub-total of cash outflows</b>	<b>(1,200,010)</b>	<b>(1,007,096)</b>
<b>Net cash flows from investing activities</b>	<b>(1,041,086)</b>	<b>(948,425)</b>

The notes on pages 38 to 78 form part of these unaudited financial statements.

## Cash Flow Statements *(unaudited)(continued)*

	<u>Six-month period ended 30 June 2003</u>	
	The Group RMB'000	The Company RMB'000
<b>Cash flows from financing activities:</b>		
Proceeds from borrowings	3,973,844	3,707,818
<b>Sub-total of cash inflows</b>	<b>3,973,844</b>	<b>3,707,818</b>
Repayment of borrowings	(4,017,905)	(3,717,190)
Cash paid for dividends, profit distribution and interest	(228,748)	(209,429)
<b>Sub-total of cash outflows</b>	<b>(4,246,653)</b>	<b>(3,926,619)</b>
<b>Net cash flows from financing activities</b>	<b>(272,809)</b>	<b>(218,801)</b>
<b>Effect of foreign exchange rate changes</b>	<b>1,551</b>	<b>1,551</b>
<b>Net increase in cash and cash equivalents</b>	<b><u>200,419</u></b>	<b><u>179,298</u></b>

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