

Notes to the Consolidated Cash Flow Statement

For the year ended 31 December 2003
(Prepared under International Financial Reporting Standards)
(Expressed in Renminbi)

(a) Reconciliation of profit before tax to cash generated from operations:

	2003 RMB'000	2002 RMB'000
Profit before tax	1,590,365	1,045,038
Interest income	(27,419)	(25,015)
Investment income	(18,059)	(36,505)
Share of losses/(profits) of associates	24,017	(16,065)
Interest expense	415,935	421,747
Depreciation	1,850,013	1,585,823
Provision for impairment losses of fixed assets	24,600	-
Amortisation of lease prepayments	22,822	14,518
Amortisation of goodwill	13,448	13,448
Amortisation of deferred income	(12,367)	(14,822)
Unrealised exchange loss/(gain)	884	(5,086)
Loss on disposal of property, plant and equipment	57,571	85,134
Increase in inventories	(120,589)	(503,822)
(Increase)/decrease in debtors, bills receivable and deposits	(345,974)	80,792
Decrease in trade creditors, other creditors and bills payable	(478,758)	(200,269)
Decrease in balances with parent companies and fellow subsidiaries	(199,496)	(96,095)
Cash generated from operations	2,796,993	2,348,821

The notes on pages 89 to 126 form part of these financial statements.