

Items	Notes	Year ended 31 December 2003		Year ended 31 December 2002	
		Group RMB	Company RMB	Group RMB	Company RMB
1. Cash flows from operating activities:					
Cash received from sales of goods and rendering of services		7,541,307,010	6,208,775,706	4,599,555,916	4,340,024,516
Refund of tax and levies		100,603,053	18,190	–	–
Cash received from other operating activities		8,624,168	8,641,980	24,638,444	13,772,281
Sub-total of cash inflows		7,650,534,231	6,217,435,876	4,624,194,360	4,353,796,797
Cash paid for purchases of goods and services		5,196,396,395	4,627,547,141	3,491,550,189	3,291,622,581
Cash paid to and on behalf of employees		438,566,099	178,782,591	329,590,993	154,073,311
Tax paid		199,542,039	148,224,752	109,248,030	71,367,624
Cash paid for other operating activities		805,809,947	611,505,524	194,020,388	213,147,377
Sub-total of cash outflows		6,640,314,480	5,566,060,008	4,124,409,600	3,730,210,893
Net cash flows from operating activities		1,010,219,751	651,375,868	499,784,760	623,585,904
2. Cash flows from investing activities:					
Cash received from acquisition of subsidiaries		–	–	56,909,418	–
Net cash received from disposals of fixed assets, intangible assets and other long-term assets		10,616,021	11,720,563	48,769,648	282,277
Other cash received from investing activities		22,122,290	18,795,238	204,537,039	204,537,039
Sub-total of cash inflows		32,738,311	30,515,801	310,216,105	204,819,316
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets		349,838,222	87,899,447	264,510,507	43,113,074
Cash paid for acquisition of investments		–	88,666,950	–	147,763,896
Cash paid for other investing activities	41	662,686,299	555,675,410	603,452,809	598,051,003
Sub-total of cash outflows		1,012,524,521	732,241,807	867,963,316	788,927,973
Net cash flows from investing activities		(979,786,210)	(701,726,006)	(557,747,211)	(584,108,657)

Statement of Cash Flows

For the Year ended 31 December 2003 (Prepared in accordance with PRC GAAP and regulations)

Statement of Cash Flows

For the Year ended 31 December 2003 (Prepared in accordance with PRC GAAP and regulations)

Items	Notes	Year ended 31 December 2003		Year ended 31 December 2002	
		Group RMB	Company RMB	Group RMB	Company RMB
3. Cash flows from financing activities:					
Cash contribution from minority shareholders by subsidiaries		9,000,000	–	–	–
Cash received from borrowings		1,418,900,000	1,075,000,000	1,454,465,000	1,180,000,000
Sub-total of cash inflows		1,427,900,000	1,075,000,000	1,454,465,000	1,180,000,000
Cash paid for repayment of borrowings		1,350,165,357	990,000,000	1,272,530,166	1,190,000,000
Cash paid for distribution of dividends, profit or interest expenses		68,939,001	58,565,627	90,008,597	54,608,064
Cash paid for other financing activities		1,000,000	1,000,000	–	–
Sub-total of cash outflows		1,420,104,358	1,049,565,627	1,362,538,763	1,244,608,064
Net cash flows from financing activities		7,795,642	25,434,373	91,926,237	(64,608,064)
4. Effect of foreign exchange rate changes on cash					
		2,037,353	–	1,477,790	–
5. Net increase (decrease) in cash and cash equivalents					
		40,266,536	(24,915,765)	35,441,576	(25,130,817)

Items	Notes	Year ended 31 December 2003		Year ended 31 December 2002	
		Group RMB	Company RMB	Group RMB	Company RMB
1. Reconciliation of net profit to net cash flows from operating activities:					
Net profit		202,180,248	197,890,645	101,276,990	91,205,801
Add: Minority interests		6,147,145	–	(388,723)	–
Provision (reversal of provision) for impairment loss of assets		48,679,206	30,812,035	(246,564,161)	(266,496,625)
Depreciation of fixed assets		238,967,996	79,753,505	245,868,462	100,635,167
Amortisation of intangible assets		31,115,320	25,088,249	13,547,960	8,218,113
Amortisation of long-term expenditures		123,984,537	23,090,855	179,347,229	28,566,834
Decrease in deferred expenditures (less: increase)		(8,553,926)	(8,733,557)	(2,109,156)	(4,060,193)
Increase in accruals (less: decrease)		13,818,429	(6,866,548)	(121,675,246)	(164,648,219)
Loss from disposal of fixed assets, intangible assets and other long-term assets (less: gains)		832,307	(1,160,844)	748,140	(63,386)
Financial expenses		43,157,295	37,181,376	90,008,597	54,608,064
Investment loss (less: gains)		42,344,814	(132,529,717)	17,070,782	107,961,019
Decrease in inventories (less: increase)		(857,552,716)	(313,642,580)	464,434,244	334,393,833
Decrease in operating receivables (less: increase)		(324,509,072)	45,258,647	(629,736,039)	(570,198,817)
Increase in operating payables (less: decrease)		1,448,608,168	674,233,802	387,955,681	903,464,313
Others		1,000,000	1,000,000	–	–
Net cash flows from operating activities		1,010,219,751	651,375,868	499,784,760	623,585,904
2. Investing and financing activities not involving in cash receipts and payments:					
Settlement of accounts receivable by intangible assets	44(5)(e)	736,595,440	736,595,440	–	–
3. Net increase in cash and cash equivalents:					
Cash and cash equivalents at the end of the year	42	726,904,676	331,312,254	686,638,140	356,228,019
Less: Cash and cash equivalents at the beginning of the year	42	686,638,140	356,228,019	651,196,564	381,358,836
Net increase (decrease) in cash and cash equivalents		40,266,536	(24,915,765)	35,441,576	(25,130,817)

Statement of Cash Flows

For the Year ended 31 December 2003 (Prepared in accordance with PRC GAAP and regulations)