

# CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2004

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

	Note	2004	2003
<b>Cash flows from operating activities</b>			
Cash generated from operations	36(a)	1,249,820	1,254,202
Interest paid		(37,470)	(68,707)
Tax paid		(272,450)	(281,483)
Net cash from operating activities		939,900	904,012
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(520,802)	(474,893)
Purchase of intangible assets		(2,260)	—
Investment in associated companies		—	(27,294)
Capital contributions received from minority interests		8,371	400
Sale of trading investments		—	350,000
Purchase of available-for-sale investments		(2,000)	—
Disposal of a subsidiary, net of cash disposed		128	—
Decrease (Increase) in term deposits with initial term of over three months		266,267	(84,611)
Proceeds from sale of property, plant and equipment	36(b)	15,426	12,020
Interest received		17,547	12,519
Net cash used in investing activities		(217,323)	(211,859)
<b>Cash flows from financing activities</b>			
Draw down of short-term bank loans		2,486,417	—
Repayment of short-term bank loans		(1,736,417)	(300,000)
Repayment of long-term bank loans		(1,043,239)	(210,000)
Dividends paid to group shareholders		(250,230)	(257,500)
Dividends paid to minority interests		(4,000)	(4,800)
Net cash used in financing activities		(547,469)	(772,300)
<b>Effect of exchange rate changes</b>		(495)	888
<b>Net increase (decrease) in cash and cash equivalents</b>		174,613	(79,259)
Cash and cash equivalents at beginning of year		1,099,935	1,179,194
<b>Cash and cash equivalents at end of year</b>	23	1,274,548	1,099,935

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