

## Consolidated Cash Flow Statement

For the Year Ended 31 December 2004  
(All amounts in RMB thousands)

|  | Note  | 31 December<br>2004 | 31 December<br>2003 |
|--|-------|---------------------|---------------------|
| <b>Cash flows from operating activities</b>  |       |                     |                     |
| Cash generated from operations   | 27(a) | <b>1,804,779</b>    | 2,696,499           |
| Interest expenses paid   |       | <b>(319,705)</b>    | (222,448)           |
| Income tax paid  |       | <b>(553,975)</b>    | (209,343)           |
| Subsidy income received  |       | <b>178,816</b>      | 3,091               |
| <b>Net cash from operating activities</b>  |       | <b>1,109,915</b>    | 2,267,799           |
| <b>Cash flows from investing activities:</b>                                       |       |                     |                     |
| Investments in unlisted companies  |       | <b>(108,758)</b>    | —                   |
| Purchase of property, plant and equipment,<br>leasehold land and intangible assets | 27(c) | <b>(2,401,772)</b>  | (2,812,963)         |
| Disposal and fair value adjustment of trading investments                          |       | <b>1,812</b>        | 238                 |
| Proceeds from disposal of property, plant and equipment                            | 27(c) | <b>11,686</b>       | 1,452               |
| Disposals of subsidiaries' shares  |       | —                   | 541                 |
| Acquisitions of minority interests   | 27(d) | <b>(42,098)</b>     | (4,468)             |
| Interest received  |       | <b>21,614</b>       | 7,904               |
| Prepayment for equipment on behalf of third parties                                |       | <b>(317,239)</b>    | —                   |
| <b>Net cash used in investing activities</b>                                       |       | <b>(2,834,755)</b>  | (2,807,296)         |
| <b>Cash flows from financing activities:</b>                                       |       |                     |                     |
| Proceeds from borrowings   | 27(e) | <b>4,052,980</b>    | 3,280,151           |
| Repayments of borrowings   | 27(e) | <b>(2,388,531)</b>  | (1,754,602)         |
| Dividends paid   |       | <b>(125,568)</b>    | (59,174)            |
| Dividends paid to minority shareholders  | 25    | <b>(434,004)</b>    | (94,684)            |
| Proceeds from issuance of ordinary shares  |       | —                   | 619,555             |
| Payments of ordinary shares issuance fee   |       | —                   | (2,591)             |
| <b>Net cash from financing activities</b>  |       | <b>1,104,877</b>    | 1,988,655           |
| <b>Net (decrease) increase in cash and cash equivalents</b>                        |       | <b>(619,963)</b>    | 1,449,158           |
| <b>Cash and cash equivalents, beginning of year</b>                                |       | <b>2,246,792</b>    | 797,634             |
| <b>Cash and cash equivalents, end of year</b>                                      | 27(b) | <b>1,626,829</b>    | 2,246,792           |

The accompanying accounting policies and notes form an integral part of these consolidated financial statements.