

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2004

	Note	2004	2003
		RMB'000	RMB'000
Operating activities			
Profit from operations		1,483,019	1,457,763
Adjustments for:			
Depreciation of property, plant and equipment		504,496	442,239
Allowance for doubtful debts		11,702	103
Loss on write off/disposal of property, plant and equipment		234,145	6,276
Interest income		(12,705)	(9,094)
Operating cash flows before movements in working capital		<u>2,220,657</u>	1,897,287
Decrease (increase) in inventories		3,345	(2,132)
Decrease (increase) in prepayments and other receivables		2,585	(29,222)
Increase in other payables		<u>18,859</u>	5,431
Cash generated from operations		<u>2,245,446</u>	1,871,364
Interest paid		(162,726)	(8,899)
PRC income tax paid		<u>(579,604)</u>	(420,822)
Net cash generated from operating activities		<u>1,503,116</u>	1,441,643
Investing activities			
Disposal of a subsidiary	27	443	—
Proceeds on disposal of property, plant and equipment		2,605	—
Investments in associates		—	(89,350)
Loan to an associate		(15,000)	(19,000)
Purchase of property, plant and equipment		(3,667,216)	(1,272,299)
Deposit paid for extension of toll highway operating rights		(1,750,000)	—
Repayment of loan advanced to an associate		19,000	800
Repayment of receivable from a former joint venture		3,000	5,000
Interest received		12,705	18,161
Dividend received from associates		<u>60,838</u>	31,984
Net cash used in investing activities		<u>(5,333,625)</u>	(1,324,704)

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For the year ended 31 December 2004

	2004	2003
	RMB'000	RMB'000
Financing activities		
Dividends paid	(728,029)	(653,460)
Dividends paid to minority shareholders	(26,904)	(19,235)
New long-term borrowings raised	3,030,000	—
Repayment of long-term borrowings	(6,813)	(6,826)
New short-term borrowings raised	3,550,000	1,500,000
Repayment of short-term borrowings	(3,000,000)	(220,000)
Net cash generated from financing activities	2,818,254	600,479
Net (decrease) increase in cash and cash equivalents	(1,012,255)	717,418
Cash and cash equivalents at beginning of the year	1,537,029	819,611
	524,774	1,537,029
Cash and cash equivalents at end of the year, represented by		
Designated deposits	—	255
Bank balances and cash	524,774	1,536,774
	524,774	1,537,029