

# Consolidated Cash Flow Statement

For the year ended 31 December 2004  
(Prepared under PRC Accounting Rules and Regulations)

|  | Note | 2004<br>RMB'000     |
|--|------|---------------------|
| <b>Cash flows from operating activities:</b>               |      |                     |
| Cash received from sale of goods and rendering of services |      | 47,612,688          |
| Refund of taxes and levies                                 |      | 60,765              |
| Other cash received relating to operating activities       |      | 12,602              |
| <b>Sub-total of cash inflows</b>                           |      | <b>47,686,055</b>   |
| <hr style="border-top: 1px dashed #000;"/>                 |      |                     |
| Cash paid for goods and services                           |      | (39,666,664)        |
| Cash paid to and on behalf of employees                    |      | (1,542,465)         |
| Taxes paid   |      | (1,514,077)         |
| Other cash paid relating to operating activities           |      | (54,829)            |
| <b>Sub-total of cash outflows</b>                          |      | <b>(42,778,035)</b> |
| <hr style="border-top: 1px dashed #000;"/>                 |      |                     |
| <b>Net cash flows from operating activities</b>            | (a)  | <b>4,908,020</b>    |
| <hr style="border-top: 1px dashed #000;"/>                 |      |                     |
| <b>Cash flows from investing activities:</b>               |      |                     |
| Cash received from disposal of investments                 |      | 101,461             |
| Maturity of time deposits with financial institutions      |      | 225,218             |
| Cash received from investment income                       |      | 96,591              |
| Cash received from disposal of fixed assets                |      | 112,949             |
| Other cash received relating to investing activities       |      | 42,750              |
| <b>Sub-total of cash inflows</b>                           |      | <b>578,969</b>      |
| <hr style="border-top: 1px dashed #000;"/>                 |      |                     |
| Cash paid for acquisition of fixed assets                  |      | (2,177,570)         |
| Cash paid for purchase of investments                      |      | (650,285)           |
| Increase in time deposits with financial institutions      |      | (63,333)            |
| <b>Sub-total of cash outflows</b>                          |      | <b>(2,891,188)</b>  |
| <hr style="border-top: 1px dashed #000;"/>                 |      |                     |
| <b>Net cash flows from investing activities</b>            |      | <b>(2,312,219)</b>  |
| <hr style="border-top: 1px dashed #000;"/>                 |      |                     |

The notes on pages 135 to 175 form part of these financial statements.

## Consolidated Cash Flow Statement (continued)

For the year ended 31 December 2004  
(Prepared under PRC Accounting Rules and Regulations)

|   | Note | 2004<br>RMB'000    |
|---|------|--------------------|
| <b>Cash flows from financing activities:</b>              |      |                    |
| Proceeds from borrowings                                  |      | 5,214,936          |
| <b>Sub-total of cash inflows</b>                          |      | <b>5,214,936</b>   |
| Repayment of borrowings                                   |      | (6,981,696)        |
| Cash paid for dividends, profit distribution and interest |      | (978,917)          |
| <b>Sub-total of cash outflows</b>                         |      | <b>(7,960,613)</b> |
| <b>Net cash flows from financing activities</b>           |      | <b>(2,745,677)</b> |
| <b>Effect of foreign exchange rate changes</b>            |      | <b>25</b>          |
| <b>Net decrease in cash and cash equivalents</b>          | (b)  | <b>(149,851)</b>   |

The notes on pages 135 to 175 form part of these financial statements.