

## Cash Flow Statement

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

	Note	2004 RMB'000
<b>Cash flows from operating activities:</b>		
Cash received from sale of goods and rendering of services		41,390,675
Refund of taxes and levies		18,006
Other cash received relating to operating activities		5,557
<b>Sub-total of cash inflows</b>		<b>41,414,238</b>
<hr/>		
Cash paid for goods and services		(34,665,160)
Cash paid to and on behalf of employees		(993,891)
Taxes paid		(1,377,790)
Other cash paid relating to operating activities		(44,430)
<b>Sub-total of cash outflows</b>		<b>(37,081,271)</b>
<b>Net cash flows from operating activities</b>	(a)	<b>4,332,967</b>
<hr/>		
<b>Cash flows from investing activities:</b>		
Maturity of time deposits with financial institutions		37,485
Cash received from investment income		205,078
Cash received from disposal of fixed assets		51,040
Other cash received relating to investing activities		32,637
<b>Sub-total of cash inflows</b>		<b>326,240</b>
<hr/>		
Cash paid for acquisition of fixed assets		(2,008,812)
Cash paid for purchase of investments		(636,319)
Increase in time deposits with financial institutions		(636,319)
<b>Sub-total of cash outflows</b>		<b>(2,645,131)</b>
<b>Net cash flows from investing activities</b>		<b>(2,318,891)</b>

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

## Cash Flow Statement (continued)

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

	Note	2004 RMB'000
<b>Cash flows from financing activities:</b>		
Proceeds from borrowings		4,102,226
<b>Sub-total of cash inflows</b>		<b>4,102,226</b>
Repayment of borrowings		(5,486,689)
Cash paid for dividends, profit distribution and interest		(864,489)
<b>Sub-total of cash outflows</b>		<b>(6,351,178)</b>
<b>Net cash flows from financing activities</b>		<b>(2,248,952)</b>
<b>Effect of foreign exchange rate changes</b>		<b>25</b>
<b>Net decrease in cash and cash equivalents</b>	(b)	<b>(234,851)</b>

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