

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2004

	NOTES	2004 RMB'000	2003 RMB'000
Operating activities			
Profit before taxation		314,718	199,242
Adjustments for:			
Share of results of associates		1,226	94
Share of results of jointly controlled entities		1,101	2,298
Loss on disposal of property, plant and equipment		1,105	3,097
Depreciation of property, plant and equipment		77,434	52,371
Allowance for bad and doubtful debts		1,221	918
Allowance for inventories		6,740	1,260
Amortisation of intangible assets		4,903	3,706
Gain on disposal of a subsidiary		–	(718)
Release of negative goodwill		(251)	(226)
Interest income		(1,298)	(3,093)
Interest expenses		41,552	24,034
Operating cash flows before movements in working capital		448,451	282,983
Increase in inventories		(39,541)	(12,371)
Increase in trade and other receivables		(107,619)	(102,479)
Increase in amounts due from customers for contract work		(53,751)	(58,401)
Increase in amounts due from associates		(12,181)	(3,180)
Increase in amounts due from jointly controlled entities		(24,827)	(265)
Increase in amounts due from related companies		(31,646)	(5,088)
Increase in trade and other payables		170,548	43,354
(Decrease) increase in amounts due to customers for contract work		(33,757)	74,558
Increase in amounts due to jointly controlled entities		19,825	750
Increase in amount due to an associate		13,474	–
Decrease in amounts due to related companies		(2,361)	(13,705)
Cash generated from operating activities		346,615	206,156
Interest received		1,298	3,093
Interest paid		(48,911)	(24,034)
People's Republic of China ("PRC") enterprise income tax paid		(4,268)	(10,390)
Net cash from operating activities		294,734	174,825
Investing activities			
Purchase of property, plant and equipment		(953,908)	(692,816)
Acquisition of subsidiaries	32	(1,471)	(45,140)
Investments in jointly controlled entities		(149,495)	(21,903)
Acquisition of associates		(51,857)	(10,488)
Acquisition of exclusive rights of operation		(2,800)	(8,000)
Acquisition of additional interests in subsidiaries		(4,959)	(4,476)
Investments in securities		(439)	(1,000)
Proceeds from disposal of property, plant and equipment		1,344	304
Disposal of a subsidiary	33	–	3,124
Net cash used in investing activities		(1,163,585)	(780,395)

	2004 RMB'000	2003 RMB'000
Financing activities		
Proceeds from convertible bonds issued	583,000	–
Bonds issue expenses	(16,743)	–
Proceeds from shares issued	516,967	–
Shares issue expenses	(12,654)	–
Contribution from minority shareholders	38,828	50,821
Dividends paid to minority shareholders	(3,575)	(10,331)
Loans from minority shareholders	–	8,000
Repayments of advances from minority shareholders	(50,234)	(75,053)
Repayment of loans from minority shareholders	(25,000)	(40,974)
New bank loans raised	861,754	679,942
Repayment of bank loans	(599,084)	(151,242)
Net cash from financing activities	1,293,259	461,163
Net increase (decrease) in cash and cash equivalents	424,408	(144,407)
Cash and cash equivalents at beginning of the year	487,129	631,536
Cash and cash equivalents at end of the year	911,537	487,129
Analysis of the balances of cash and cash equivalents:		
Bank balances and cash	911,537	487,129