

# CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December 2005

(All amounts in Renminbi thousand unless otherwise stated)

	Note	Year ended 31 December	
		2005	2004
<b>Cash flows from operating activities</b>			
Cash generated from operations	33(a)	145,144	122,831
Interest paid		(517)	(1,083)
Income tax paid		(4,104)	(5,062)
<b>Net cash generated from operating activities</b>		<b>140,523</b>	116,686
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(18,884)	(16,181)
Payments for lease prepayments		–	(16,708)
Acquisition of subsidiaries, net of cash acquired		–	631
Investment in an associate		(100)	–
Disposal of equity interest in a subsidiary, net of cash received	33(b)	(196)	–
Payments for intangible assets other than goodwill		(39,128)	(40,494)
Proceeds from sale of property, plant and equipment	33(a)	1,516	2,981
Pledged bank deposits		(5,000)	–
Short-term bank deposits placed		(39,569)	–
Interest received		1,330	1,213
<b>Net cash used in investing activities</b>		<b>(100,031)</b>	(68,558)
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares	17	511	2,892
Proceeds from borrowings		61,000	24,000
Capital contributed by minority shareholders		–	200
Repayment of borrowings		(55,000)	(20,000)
Dividends paid to Company's shareholders		(18,810)	(4,691)
<b>Net cash (used in)/generated from financing activities</b>		<b>(12,299)</b>	2,401
<b>Net increase in cash and cash equivalents</b>		<b>28,193</b>	50,529
<b>Cash and cash equivalents at beginning of the year</b>		<b>214,719</b>	164,458
<b>Exchange losses on cash and cash equivalents</b>		<b>(859)</b>	(268)
<b>Cash and cash equivalents at end of the year</b>	16	<b>242,053</b>	214,719

**Xu Shao Chun**  
Director

**Chen Deng Kun**  
Director

The notes on pages 51 to 87 are an integral part of these consolidated financial statements.