

CONSOLIDATED STATEMENT OF CASH FLOWS

(Amounts expressed in thousands of Renminbi)

	Note	For the year ended December 31	
		2005	2004
Cash flows from operating activities			
Cash generated from operations	33	453,234	621,123
Long term rental deposit		(4,064)	(12,903)
Enterprise income tax paid		(46,698)	(32,737)
Net cash provided by operating activities		402,472	575,483
Cash flows from investing activities			
Purchases of property, plant, equipment and intangible assets		(393,442)	(147,732)
Increase in short-term bank deposits		(1,321,899)	(120,378)
Interest received		58,083	17,846
Dividends received from associated companies		2,050	4,837
Proceeds from disposal of property, plant and equipment		1,504	972
Proceeds from redemption of short-term investments		1,749	—
Investment to associated companies		(4,555)	—
Increase in other long-term assets		(160)	(234)
Net cash used in investing activities		(1,656,670)	(244,689)
Cash flows from financing activities			
Investment from minority shareholders of subsidiaries		1,203	—
Dividend paid to group shareholders		(109,159)	(128,903)
Dividend paid to minority shareholders of subsidiaries		(3,306)	—
Net cash used in financing activities		(111,262)	(128,903)
Effect of foreign exchange rate changes on cash and cash equivalents		(14,572)	—
Net (Decrease)/increase in cash and cash equivalents		(1,380,032)	201,891
Cash and cash equivalents at beginning of the year		2,236,843	2,034,952
Cash and cash equivalents at end of the year	26	856,811	2,236,843

The accompanying notes are an integral part of these financial statements.