

Cash Flow Statements *(unaudited)*

	Note	Six-month period ended 30 June			
		The Group		The Company	
		2006	2005	2006	2005
		RMB'000	RMB'000	RMB'000	RMB'000
Cash flows from operating activities:					
Cash received from sale of goods and rendering of services		27,709,198	26,333,272	24,661,380	24,144,260
Refund of taxes and levies		58,584	2,358	52,285	-
Other cash received relating to operating activities		7,196	2,394	887	1,064
Sub-total of cash inflows		27,774,978	26,338,024	24,714,552	24,145,324
Cash paid for goods and services		(25,873,987)	(22,628,321)	(23,092,032)	(20,700,208)
Cash paid to and on behalf of employees		(840,955)	(611,650)	(584,373)	(480,159)
Income tax paid		(33,590)	(381,846)	-	(345,792)
Taxes paid other than income tax		(399,171)	(398,601)	(389,352)	(393,376)
Other cash paid relating to operating activities		(88,836)	(539,165)	(6,989)	(301,802)
Sub-total of cash outflows		(27,236,539)	(24,559,583)	(24,072,746)	(22,221,337)
Net cash flows from operating activities	(a)	538,439	1,778,441	641,806	1,923,987
Cash flows from investing activities:					
Cash received from disposal of investments		162,761	25,576	82,800	-
Cash received from investment income		39,362	59,871	149,966	133,106
Cash received from disposal of fixed assets		73,426	98,574	325	74,031
Maturity of time deposits with financial institutions		-	4,000	-	-
Other cash received relating to investing activities		20,605	18,613	16,746	14,785
Sub-total of cash inflows		296,154	206,634	249,837	221,922
Cash paid for acquisition of fixed assets		(1,126,970)	(668,588)	(1,019,220)	(619,835)
Cash paid for purchase of investments		(19,959)	(170,022)	-	(404,165)
Sub-total of cash outflows		(1,146,929)	(838,610)	(1,019,220)	(1,024,000)
Net cash flows from investing activities		(850,775)	(631,976)	(769,383)	(802,078)

The notes on pages 51 to 90 form part of these unaudited financial statements.

Cash Flow Statements *(unaudited)(continued)*

	Note	Six-month period ended 30 June			
		The Group		The Company	
		2006	2005	2006	2005
		RMB'000	RMB'000	RMB'000	RMB'000
Cash flows from financing activities:					
Proceeds from issuance of corporate bonds		977,800	-	977,800	-
Proceeds from borrowings		7,759,585	3,089,286	7,498,156	2,520,980
Sub-total of cash inflows		8,737,385	3,089,286	8,475,956	2,520,980
Repayment of borrowings		(8,737,967)	(4,327,523)	(8,498,971)	(3,663,506)
Cash paid for dividends, profit distribution and interest		(240,242)	(198,382)	(145,655)	(125,175)
Sub-total of cash outflows		(8,978,209)	(4,525,905)	(8,644,626)	(3,788,681)
Net cash flows from financing activities		(240,824)	(1,436,619)	(168,670)	(1,267,701)
Effect of foreign exchange rate changes		(825)	(89)	(350)	(65)
Net decrease in cash and cash equivalents	(b)	(553,985)	(290,243)	(296,597)	(145,857)

The notes on pages 51 to 90 form part of these unaudited financial statements.