

Consolidated Cash Flow Statement

Year ended 30 June 2006

<i>Notes</i>	2006 RMB'000	2005 RMB'000 (As restated)
OPERATING ACTIVITIES		
Profit before income tax	1,358,284	1,297,285
Finance cost	193,626	75,674
Share of net profit of associates	(103,313)	(121,400)
Loss on deemed disposal of interest in associates	37,530	—
Interest income	(53,237)	(23,004)
Depreciation charges	150,904	109,601
Amortization of prepaid premium for land leases	45,984	25,934
Loss on disposal of fixed assets	32,307	20,872
Loss on disposal of projects giving rise to deferred expenditure	—	600
Amortization of computer software development cost	—	19,724
Amortization of deferred development costs	13,850	12,100
Amortization of deferred expenditure	18,257	9,316
Amortization of negative goodwill	—	(8,136)
Unrealized gain on revaluation of other investments	—	(1,486)
Gain on sales of other investments	(3,132)	—
Gain arising from changes in fair value less estimated point-of-sale costs of biological assets	(153,059)	(175,620)
Change in fair value of convertible bonds	5,135	—
Employee share option benefits	28,711	13,371
Write off of deferred development costs	14,570	16,600
Operating profit before changes in working capital	1,586,417	1,271,431
Increase in inventories, accounts receivable, other receivables, deposits and prepayments	(799)	(73,795)
Increase in accounts and bills payable, other payables and accrued charges	34,170	42,122
Increase in amounts due to a related company	21,039	9,044
Decrease/(Increase) in amount due from an associate	13,156	(13,559)
Decrease/(Increase) in other long-term deposits	3,500	(4,850)
Increase in biological assets	(148,255)	—
Cash generated from operations	1,509,228	1,230,393
Interest received	53,237	23,004
Finance costs paid	(182,499)	(75,674)
Dividends paid	(262,364)	(198,494)
PRC income tax paid	(344)	(361)
NET CASH INFLOW FROM OPERATING ACTIVITIES	1,117,258	978,868
INVESTING ACTIVITIES		
Purchase of fixed assets	(130,951)	(114,383)
Proceeds from sales of fixed assets	64,417	26,172
Proceeds from disposal of projects giving rise to deferred expenditure	931	5,904
Proceeds from sales of other investment	70,520	—
Payment of construction-in-progress	(828,155)	(829,390)
Payment of deferred development costs	(24,450)	(28,200)
Payment of prepaid premium for land leases	(932,184)	(789,444)
Refund of prepaid premium for land leases	58,429	28,274
Payment of deferred expenditure	(88,305)	(55,776)
Payment of other investments	—	(65,902)
Increase investment in an associate company	(30)	—
NET CASH USED IN INVESTING ACTIVITIES	(1,809,778)	(1,822,745)

Consolidated Cash Flow Statement *(Continued)*

Year ended 30 June 2006

	<i>Notes</i>	2006 RMB'000	2005 <i>RMB'000</i> (As restated)
FINANCING ACTIVITIES			
Proceeds from issue of new shares		8,854	29,145
Repurchase of shares		—	(4,002)
Contributions from minority interests		—	4,000
Issue of guaranteed senior notes		—	1,840,905
Issue of convertible bonds	32	1,384,320	—
Proceeds from new bank loans		131,290	669,181
Repayment of bank loans		(138,180)	(690,860)
Bank deposits released from/(pledged for) banking facilities	27	499,648	(499,648)
NET CASH INFLOW FROM FINANCING ACTIVITIES		1,885,932	1,348,721
NET INCREASE IN CASH AND CASH EQUIVALENTS		1,193,412	504,844
CASH AND CASH EQUIVALENTS AS AT 1 JULY		1,449,323	944,479
CHANGES IN EXCHANGE RATES		(29,012)	—
CASH AND CASH EQUIVALENTS AS AT 30 JUNE	27	2,613,723	1,449,323

Cash and cash equivalents as at 30 June 2006 and 2005 are all cash and bank balances.

The notes on pages 46 to 100 form an integral part of these financial statements.