

CONSOLIDATED STATEMENT OF CASH FLOWS

(Amounts expressed in thousands of Renminbi)

		For the year ended December 31	
	Note	2006	2005
Cash flows from operating activities			
Cash generated from operations	33	758,911	453,234
Long term rental deposit		—	(4,064)
Enterprise income tax paid		(107,975)	(46,698)
Net cash provided by operating activities		650,936	402,472
Cash flows from investing activities			
Purchases of property, plant, equipment and intangible assets		(167,947)	(393,442)
Decrease (Increase) in short-term bank deposits		62,673	(1,321,899)
Interest received		64,570	58,083
Dividends received from associated companies		7,970	2,050
Proceeds from disposal of property, plant and equipment		526	1,504
Proceeds from redemption of short-term investments		—	1,749
Investment to associated companies		(9,900)	(4,555)
Increase in other long-term assets		—	(160)
Net cash used in investing activities		(42,108)	(1,656,670)
Cash flows from financing activities			
Investment from minority shareholders of subsidiaries		—	1,203
Dividend paid to group shareholders		(214,443)	(109,159)
Dividend paid to minority shareholders of subsidiaries		(2,812)	(3,306)
Net cash used in financing activities		(217,255)	(111,262)
Effect of foreign exchange rate changes on cash and cash equivalents		(15,218)	(14,572)
Net increase (decrease) in cash and cash equivalents		376,355	(1,380,032)
Cash and cash equivalents at beginning of the year		856,811	2,236,843
Cash and cash equivalents at end of the year		1,233,166	856,811

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