

Consolidated Cash Flow Statement

YEAR ENDED 31 DECEMBER 2006

(ALL AMOUNTS EXPRESSED IN THOUSANDS OF RENMINBI)

	Notes	Group	
		2006	2005
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	35	50,901,846	41,695,648
Income taxes paid		(12,874,544)	(9,849,454)
Interest received		781,536	359,294
Dividends received from associates		180,000	232,346
Investment income received		264,134	45,785
Interest paid		(27,376)	(329,797)
Net cash inflow from operating activities		39,225,596	32,153,822
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of oil and gas properties	4	(21,175,390)	(864,007)
Additions of property, plant and equipment		(23,041,164)	(16,605,548)
Decrease/(increase) in time deposits with maturity over three months		2,967,203	(3,597,000)
Purchases of available-for-sale financial assets		(12,281,407)	(21,487,478)
Disposals of available-for-sale financial assets		14,003,627	13,204,817
Proceeds from disposal of property, plant and equipment		1,520	—
Net cash outflow from investing activities		(39,525,611)	(29,349,216)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from new or existing bank loans		2,413,780	—
Net proceeds on issue of shares		14,242,768	—
Repayment of bank loans		(807,858)	(18,654)
Dividends paid		(9,813,711)	(7,772,218)
Proceeds from exercise of share options		3,715	4,500
Net cash inflow/(outflow) from financing activities		6,038,694	(7,786,372)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at beginning of year		8,991,758	14,091,524
Effect of foreign exchange rate changes, net		(366,382)	(118,000)
CASH AND CASH EQUIVALENTS AT END OF YEAR			
		14,364,055	8,991,758
ANALYSIS OF BALANCE OF CASH AND CASH EQUIVALENTS			
Cash and cash equivalents		14,364,055	8,991,758