

Consolidated Cash Flow Statement

For the year ended December 31, 2006

(in RMB million)	Notes	2006	2005
Net cash from operating activities	45	37,265	31,890
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of investment properties, property and equipment, and prepaid land premiums		(1,860)	(1,079)
Proceeds from disposal of property and equipment		406	111
Purchases of investments, net		(39,205)	(54,152)
Term deposits placed, net		9,526	10,918
Acquisition of a subsidiary	5	4,351	–
Proceeds from assets purchased under agreements to resell		457	–
Interest received		9,519	8,123
Dividends received		2,486	267
Rentals received		117	107
Net cash used in investing activities		(14,203)	(35,705)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from sales in assets sold under agreements to repurchase		5,877	6,413
Proceeds from borrowed funds		1,502	–
Interest paid on borrowed funds		(37)	–
Capital injected into subsidiaries by minority interests		76	–
Dividends paid		(2,097)	(865)
Net cash from financing activities		5,321	5,548
Net increase in cash and cash equivalents		28,383	1,733
Net foreign exchange differences		(67)	(18)
Cash and cash equivalents at beginning of year		17,648	15,933
Cash and cash equivalents at end of year	44	45,964	17,648

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