

Consolidated Statement of Cash Flows

For the year ended 31 December 2006

	Notes	2006 RMB'000	2005 RMB'000
Cash flows from operating activities			
Profit before tax		942,320	617,135
Adjustments for:			
Interest income		(15,827)	(12,898)
Finance costs		63,081	43,956
Depreciation of property, plant and equipment	5	403,485	276,964
Amortisation of land use rights	5	1,707	1,309
Amortisation of intangible assets	5	1,354	—
Loss on disposal of property, plant and equipment	5	1,075	3,243
Share-based payment expense	5	3,108	—
Provision for/(write-back of provision for) trade receivables	5	3,478	(194)
Share of profits and losses of associates		(8,384)	3,295
Gain on disposal of an investment in an associate	4	(2,167)	—
Write-down of inventories to net realisable value	5	1,155	2,349
Amortisation of deferred income	4	(4,605)	(4,145)
Foreign exchange differences, net	4	(16,217)	(2,069)
Dilution gain arising from an investment in a jointly controlled entity	4	(25,000)	—
Operating profit before working capital changes		1,348,563	928,945
Increase in inventories		(291,614)	(68,551)
(Increase)/decrease in trade and bills receivables		(61,683)	3,307
Decrease/(increase) in pledged deposits		8,602	(32,910)
Increase in prepayments, deposits and other receivables		(16,039)	(31,561)
Increase in trade and bills payables		241,430	422,408
Increase in accruals and other payables		298,342	199,776
Net cash generated from operations		1,527,601	1,421,414
Interest paid		(46,375)	(38,541)
Income taxes paid		(78,400)	(54,576)
Net cash inflow from operating activities		1,402,826	1,328,297

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	Notes	2006 RMB'000	2005 RMB'000
Cash flows from investing activities			
Proceeds from disposal of property, plant and equipment		36,346	521
Purchases of property, plant and equipment		(381,108)	(216,165)
Increase in construction in progress	13	(804,266)	(673,606)
Additions to intangible assets	14	(7,558)	—
Additions to land use rights	15	(64,842)	(35,118)
Additions to available-for-sale investments		(7,287)	(2,000)
Acquisition of minority interests		(357)	—
Capital injection to associates		(18,732)	(1,835)
Receipt of government grants		72,913	—
Proceeds from disposal of an investment in an associate		5,871	—
Increase in time deposits with original maturity of more than three months		(150,000)	—
Interest received		15,827	12,898
Dividends received from an associate		1,740	368
Net cash outflow from investing activities		(1,301,453)	(914,937)
Cash flows from financing activities			
Capital contributions from minority shareholders		26,881	4,733
Proceeds from interest-bearing bank loans		741,094	923,361
Repayment of interest-bearing bank loans		(674,108)	(894,312)
Dividends paid to equity holders of the Company	9	(93,873)	(80,053)
Dividends paid to minority shareholders		(21,833)	(15,605)
Proceeds from other loans		22,000	11,481
Repayment of other loans		(26,081)	(17,000)
Repayment of long term payables		(188,275)	(117,129)
Capital contribution by the joint venture partner		45,116	—
Net cash outflow from financing activities		(169,079)	(184,524)
Net (decrease)/increase in cash and cash equivalents		(67,706)	228,836
Cash and cash equivalents at beginning of year	24	1,247,764	1,018,928
Cash and cash equivalents at end of year	24	1,180,058	1,247,764
Analysis of balances of cash and cash equivalents			
Cash and bank balances	24	1,180,058	1,247,764