

## Consolidated Cash Flow Statement

*(Prepared under PRC accounting standards)*

*For the year ended 31 December 2000*

	Notes V	2000 RMB	1999 RMB
1. Cash Flows from Operating Activities:			
Cash received from sales of goods or rendering of services		8,193,525,222	6,963,145,574
Other cash received relating to operating activities		1,573,060,396	1,383,820,381
Sub-total of cash inflows		9,766,585,618	8,346,965,955
Cash paid for goods and services		5,193,863,416	4,488,321,718
Cash paid to and on behalf of employees		1,147,625,281	829,521,711
Value-added tax on purchases paid		704,002,565	516,777,096
Income tax paid		43,587,262	121,134
Taxes paid other than value-added tax and income tax		103,172,560	273,257,678
Other cash paid relating to operating activities	35	1,106,761,168	1,162,167,101
Sub-total of cash outflows		8,299,012,252	7,270,166,438
Net cash flows from operating activities		1,467,573,366	1,076,799,517
2. Cash Flows from Investing Activities:			
Cash received from returns on investments		9,663,648	33,413,556
Cash received from interest income		28,680,131	32,180,131
Net cash received from disposal of fixed assets, intangible assets and other long term assets		1,232,460	5,721,965
Decrease in fixed deposits with maturities of more than 3 months		440,027,773	342,187,488
Sub-total of cash inflows		479,604,012	413,503,140
Cash paid to acquire fixed assets, intangible assets and other long term assets		557,980,730	636,329,948
Cash paid to acquire equity investments		6,673,831	-
Increase in fixed deposits with maturities of more than 3 months		244,656,708	440,027,773
Sub-total of cash outflows		809,311,269	1,076,357,721
Net cash flows from investing activities		(329,707,257)	(662,854,581)

The attached notes are a component of the Audited Financial Statements.

	<b>2000</b>	<b>1999</b>
	<b>RMB</b>	<b>RMB</b>
3. Cash Flows from Financing Activities:		
Proceeds from borrowings	1,780,490,843	1,995,469,630
Sub-total of cash inflows	1,780,490,843	1,995,469,630
Cash repayments of amounts borrowed	2,251,990,694	2,200,715,482
Cash payments of interest expenses	206,272,129	300,396,100
Sub-total of cash outflows	2,458,262,823	2,501,111,582
Net cash flows from financing activities	(677,771,980)	(505,641,952)
4. Effect of Foreign Exchange Rate Changes on Cash	(1,578,654)	(1,010,244)
5. Net Increase/(Decrease) in Cash and Cash Equivalents	458,515,475	(92,707,260)

The attached notes are a component of the Audited Financial Statements.

	<b>2000</b>	<b>1999</b>
	<b>RMB</b>	<b>RMB</b>
Supplementary information:		
1. Reconciliation of Net Profit to Net Cash Flows from Operating Activities:		
Net profit	176,031,047	13,111,758
Add: Staff housing subsidies charged to retained profits	(20,872,421)	-
Provisions for doubtful debts	43,980,000	46,000,000
Provisions for inventories	-	18,000,000
Provisions for impairments of fixed assets	20,544,897	-
Provisions for impairments of construction in progress	67,000,000	-
Depreciation of fixed assets	706,450,757	565,069,445
Amortisation of intangible assets	18,169,867	18,169,869
Amortisation of long term deferred expenditure	29,676,820	60,498,432
Increase in accrued charges	33,935,681	10,405,701
Loss on disposal of fixed assets, intangible assets and other long term assets	15,801,453	242,972
Financial expenses	175,808,589	185,271,081
Investment income	(2,675,648)	(3,001,921)
Decrease in inventories	78,239,157	368,004,240
Decrease in receivables from operating activities	285,459,665	106,223,331

Decrease in payables from operating activities	(128,992,478)	(351,934,092)
Net increase/(decrease) in value-added tax payable	(30,984,020)	40,738,701
Net cash flows from operating activities	1,467,573,366	1,076,799,517
2. Investing and Financing Activities that do not Involve Cash Receipts and Payments:	-	-
3. Net Increase/(Decrease) in Cash and Cash Equivalents:		
Cash and balances with financial institutions at end of year	1,619,002,577	1,355,858,167
Less: Balance of fixed deposits with maturities of more than 3 months at end of year	(244,656,708)	(440,027,773)
Less: Cash and balances with financial institutions at beginning of year	(1,355,858,167)	(1,350,725,142)
Add: Balance of fixed deposits with maturities of more than 3 months at beginning of year	440,027,773	342,187,488
Net increase/(decrease) in cash and cash equivalents	458,515,475	(92,707,260)

The attached notes are a component of the Audited Financial Statements.