

## NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December 2000

(Amounts in millions)

### (a) Reconciliation of profit from ordinary activities before taxation to net cash generated from operating activities

	2000 RMB	1999 RMB
Profit from ordinary activities before taxation	30,196	6,506
Depreciation, depletion and amortisation	20,050	17,905
Dry hole cost	1,535	471
Provision for doubtful accounts	358	569
Share of profits less losses from associates and jointly controlled entities	(49)	(146)
Investment income	(186)	(597)
Interest income	(820)	(1,240)
Interest expense	6,529	10,053
Unrealised foreign exchange (gain)/loss	(367)	1,346
Loss on allocation of staff quarters	—	1,363
Loss on disposal of property, plant and equipment	778	502
Impairment losses on long-lived assets	187	1,206
Reversal of impairment losses on long-lived assets, net of depreciation effect	(936)	(593)
Gains from issuance of shares by subsidiaries	—	(607)
(Increase)/decrease in trade accounts receivable	(5,797)	1,241
(Increase)/decrease in bills receivable	(310)	1,221
Increase in inventories	(21,819)	(2,694)
Increase in prepaid expenses and other current assets	(8,468)	(4,901)
Increase in other assets	(284)	(1,381)
Increase/(decrease) in trade accounts payable	9,118	(481)
Increase in bills payable	8,575	1,286
Increase in accrued expenses and other payables	3,661	4,541
(Decrease)/increase in other liabilities	(360)	41
<b>Cash flow from operating activities</b>	<b>41,591</b>	<b>35,611</b>
Interest received	1,130	1,297
Interest paid	(8,061)	(11,266)
Investment income received	106	898
Income tax paid	(6,847)	(2,340)
Income tax refunds received	—	1,114
<b>Net cash generated from operating activities</b>	<b>27,919</b>	<b>25,314</b>

The notes on pages 64 to 89 form part of these accounts.