

THE CHINA FUND

CASH FLOW STATEMENT

FOR THE HALF-YEAR ENDED 30TH SEPTEMBER 2002 (unaudited)

	Half-year ended 30/9/2002 US\$	Half-year ended 30/9/2001 US\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the period	(1,923,052)	(2,534,226)
Bank interest income	(4,892)	(26,370)
Dividend income	(558,068)	(675,019)
Equalization on repurchase and issue of shares	3,020	43,438
Decrease in listed investments	2,738,791	4,728,349
Decrease in amount due from brokers	–	381,945
Decrease in accounts payable and accrued liabilities	(10,940)	(34,044)
Decrease in amounts due to brokers	–	(593,457)
Cash generated from operating activities	244,859	1,290,616
Interest received	4,892	26,370
Dividends received	576,933	612,631
Net cash generated from operating activities	826,684	1,929,617
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(404,251)	(296,552)
Repurchase of shares	(359,276)	(1,764,960)
Proceeds from issue of shares	298,384	59,675
Net cash used in financing activities	(465,143)	(2,001,837)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		
	361,541	(72,220)
Cash and cash equivalents at beginning of period	978,429	1,060,174
CASH AND CASH EQUIVALENTS AT END OF PERIOD	1,339,970	987,954
CASH AND CASH EQUIVALENTS AS AT 30TH SEPTEMBER		
Cash at bank	63,775	43,985
Call deposit	1,276,195	943,969
	1,339,970	987,954