

# Consolidated Cash Flow Statement

For the year ended 31 December 2003

	2003 RMB'000	2002 RMB'000
<b>OPERATING ACTIVITIES</b>		
Profit (loss) from operations	221,344	(24,803)
Adjustments for:		
Interest income	(44,841)	(34,049)
Dividend income from other investments	(1,144)	(19,610)
Depreciation and amortisation	336,196	258,002
Impairment losses recognised in respect of property, plant and equipment	78,774	19,270
Allowances for bad and doubtful debts	77,985	108,242
Loss on disposal and write off of property, plant and equipment	35,163	296
Deficit on revaluation of investment properties	647	–
Impairment losses recognised in respect of intangible assets	–	4,510
Operating cash flows before movements in working capital	704,124	311,858
(Increase) decrease in inventories	(132,680)	59,386
Decrease (increase) in trade and other receivables	372,944	(854,072)
Increase in bills receivable	(66,745)	(22,902)
Decrease (increase) in amounts due from associates	28,402	(775,212)
Decrease in amounts due from related companies	–	237,058
(Decrease) increase in trade and other payables	(28,026)	806,526
Increase in bills payable	19,882	90,807
Increase (decrease) in amounts due to fellow subsidiaries	402	(122,457)
(Decrease) increase in amount due to an associate	(40,931)	174,398
Net cash generated from (used in) operations	857,372	(94,610)
The People's Republic of China income tax paid	(1,892)	(22,840)
Hong Kong Profits Tax paid	–	(10,138)
<b>NET CASH GENERATED FROM (USED IN)</b>		
<b>OPERATING ACTIVITIES</b>	<b>855,480</b>	<b>(127,588)</b>

# Consolidated Cash Flow Statement

For the year ended 31 December 2003

	Notes	2003 RMB'000	2002 RMB'000
<b>INVESTING ACTIVITIES</b>			
Decrease in pledged bank deposits		378,029	20,603
Dividends received from associates		249,830	285,123
Interest received		44,841	34,049
Proceeds from disposal of property, plant and equipment		26,993	260,387
Proceeds from disposal of other investments		9,862	46,578
Proceeds from disposal of a partial interest in associate		1,964	73,416
Dividend received from other investments		1,144	19,610
Decrease in amount due from fellow subsidiaries		163	12,069
Purchase of property, plant and equipment		(197,327)	(666,651)
Acquisition of interests in associates		(16,958)	(6,617)
Increase in amount due from an associate		(6,505)	–
Acquisition of a subsidiary, net of cash and cash equivalent acquired	31	(3,506)	–
Increase in amount due from ultimate holding company		(4)	–
Purchase of intangible assets		–	(130,082)
Disposal of subsidiaries	30(a)	–	(79,138)
<b>NET CASH GENERATED FROM (USED IN) INVESTING ACTIVITIES</b>		<b>488,526</b>	<b>(130,653)</b>
<b>FINANCING ACTIVITIES</b>			
Repayment of borrowings		(2,910,520)	(860,200)
Dividend paid to minority shareholders		(73,246)	(55,615)
Interest paid		(68,227)	(120,596)
Repayment of finance leases		(5,066)	(6,344)
New borrowings raised		1,693,036	1,097,847
Government grants raised		26,000	–
Capital contribution from minority shareholders		–	186,202
Repayment to ultimate holding company		–	(79,104)
<b>NET CASH (USED IN) GENERATED FROM FINANCING ACTIVITIES</b>		<b>(1,338,023)</b>	<b>162,190</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>5,983</b>	<b>(96,051)</b>
<b>CASH AND CASH EQUIVALENTS AT 1 JANUARY</b>		<b>1,661,441</b>	<b>1,757,492</b>
<b>CASH AND CASH EQUIVALENTS AT 31 DECEMBER, represented by bank balances and cash</b>		<b>1,667,424</b>	<b>1,661,441</b>