

# Consolidated Cash Flow Statement

For the year ended December 31, 2004

	Notes	2004 RMB Million	2003 RMB Million
<b>CASH INFLOWS FROM OPERATING ACTIVITIES</b>	44(1)	<b>34,370</b>	35,178
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Additions of investment properties, property, plant and equipment, construction-in-progress, and land use rights		(470)	(743)
Proceeds from disposal of property, plant and equipment		22	6
Net cash inflow from disposal of a subsidiary		–	5
Purchases of investments, net		(44,593)	(25,177)
Term deposits placed, net		(2,087)	(4,794)
Net cash inflow from acquisition of a subsidiary	44(2)	295	2,436
Increase in equity interest in a subsidiary	44(3)	(158)	–
Interest received		6,215	5,864
Dividends received		393	159
Rentals received		130	99
Net cash outflow from investing activities		(40,253)	(22,145)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from shares issued		13,279	–
Increase/(decrease) in securities sold under agreements to repurchase		401	(8,114)
Dividends paid		(518)	(493)
Finance costs paid		(42)	(224)
Net cash inflow/(outflow) from financing activities		13,120	(8,831)
Net increase in cash and cash equivalents		7,237	4,202
Cash and cash equivalents at beginning of year		8,017	3,815
Cash and cash equivalents at end of year	15	15,254	8,017

The accompanying notes form an integral part of these financial statements.