

Consolidated Cash Flow Statement

For the year ended 31 December 2006
(All amounts in RMB unless otherwise stated)

	Note	2006 RMB million	2005 RMB million
Cash flows from operating activities			
Cash generated from operations	42	5,560	4,122
Interest paid		(1,257)	(850)
Income tax paid		(808)	(358)
Net cash generated from operating activities		3,495	2,914
Cash flows from investing activities			
Purchase of property, plant and equipment ("PPE")		(7,067)	(4,396)
Increase in lease prepayments		(60)	(171)
Purchase of intangible assets		(1,342)	(701)
Purchase of investment properties		(2)	—
Proceeds from disposal of PPE	42	375	283
Proceeds from disposal of lease prepayments		22	18
Proceeds from disposal of investment properties		2	4
Net cash outflow in respect of disposal of a subsidiary	42	(95)	—
Additional investments in jointly controlled entities		(261)	(112)
Additional investments in associates		(19)	(62)
Purchase of available-for-sale financial assets		(55)	(73)
Purchase of other financial assets at fair value through profit or loss		(17)	—
Proceeds from disposal of associates		14	29
Proceeds from disposal of available-for-sale financial assets		28	4
Increase in long term receivables		(300)	—
Proceeds from disposal of held-to-maturity financial assets		—	18
Proceeds from disposal of other financial assets at fair value through profit or loss		153	5
Proceeds from disposal of jointly controlled entities		8	—
Interest received		336	111
Dividends received		248	101
Net cash used in investing activities		(8,032)	(4,942)
Cash flows from financing activities			
Proceeds from issuance of ordinary shares	21	17,878	—
Proceeds from borrowings		29,043	18,650
Repayments of borrowings		(20,552)	(15,804)
Additional investments from minority shareholders of subsidiaries		95	138
Special Distribution to CCCG	40	(1,556)	—
Distribution to CCCG upon completion of Reorganisation	42	(35)	—
Dividends paid to minority shareholders of subsidiaries		(267)	(100)
Net cash generated from financing activities		24,606	2,884
Net increase in cash and cash equivalents		20,069	856
Cash and cash equivalents at beginning of year	19	10,797	9,993
Exchange losses on cash and cash equivalents		(73)	(52)
Cash and cash equivalents at end of the year	19	30,793	10,797

The notes on pages 54 to 117 are an integral part of these financial statements.