

Consolidated Cash Flow Statement

Year ended 31 December 2006

	Notes	2006 RMB'000	2005 RMB'000 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		159,469	728,245
Adjustments for:			
Finance costs	7	23,283	27,921
Share of profits and losses of associates		35,943	(51,545)
Interest income	5	(78,614)	(48,038)
Dividend income from investments	5	(25,779)	(750)
Loss on disposal of items of property, plant and equipment	6	13,782	74
Gain on disposal of associates		–	(338,194)
(Gain)/loss on disposal of subsidiaries	6	(15,960)	705
Loss on share reforms of subsidiaries	35	426,636	–
Depreciation	6	290,334	232,054
Decrease/(increase) in fair value of investment properties	6	24,388	(26,821)
Recognition of prepaid land lease payments	16	2,177	2,121
Amortisation of other intangible assets	6	414	607
Goodwill impairment		–	26,778
Changes in fair value on financial guarantee contracts		(28,460)	36,070
Impairment of loans to an associate	6	86,791	58,003
Impairment of items of property, plant and equipment	6	16,401	8,178
		930,805	655,408
(Increase)/decrease in inventories		(18,503)	71,094
Decrease/(increase) in trade and other receivables		261,929	(760,810)
Decrease in amounts due from associates		236,336	475,268
Increase in trade and other payables		40,837	192,848
Decrease in an amount due from the intermediate holding company		–	12
Decrease/(increase) in amounts due from fellow subsidiaries		17,017	(6,101)
(Decrease)/increase in an amount due to the intermediate holding company		(30)	1,394
Increase in amounts due to fellow subsidiaries		1,714	580
(Decrease)/increase in amounts due to associates		(49,971)	7,405
Increase in provisions		41,377	11,625
Cash generated from operations		1,461,511	648,723
Mainland China profits tax paid		(70,028)	(48,967)
Hong Kong profits tax paid		(1,793)	–
Net cash inflow from operating activities		1,389,690	599,756

Consolidated Cash Flow Statement

Year ended 31 December 2006

	Notes	2006 RMB'000	2005 RMB'000 (Restated)
Net cash inflow from operating activities		1,389,690	599,756
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		46,778	24,943
Dividends received from investments	5	25,779	750
Dividends received from associates		13,000	516,144
Purchases of items of property, plant and equipment		(660,701)	(441,918)
Addition to prepaid land lease payments		(18,140)	–
Proceeds from disposal of an associate		178,109	503,905
Proceeds from disposal of items of property, plant and equipment		45,353	8,269
Additions to other intangible assets	18	(1,885)	(2,794)
Acquisition of subsidiaries		–	(31,999)
Acquisition of interest in an associate		(3,500)	(49,547)
Disposal of subsidiaries	34	23,356	(1,632)
Advances of loans to associates		(223,155)	(282,068)
Purchases of available-for-sale investments		(9,533)	(16,149)
Increase in capital injection to an associate		–	(17,950)
(Increase)/decrease in pledged deposits		(24,117)	281,485
Net cash (outflow)/ inflow from investing activities		(608,656)	491,439
CASH FLOWS FROM FINANCING ACTIVITIES			
New bank loans		999,976	683,760
Repayment of bank loans		(934,144)	(1,177,167)
Government grants raised		1,977	18,709
Government grants used		(15,635)	(640)
Capital contribution from a minority interest		–	49,402
Capital element of finance lease rental payments		–	(1,450)
Interest paid		(23,385)	(27,921)
Dividends paid		(23,955)	(50,305)
Dividends paid to minority shareholders		(126,053)	(101,198)
Net cash outflow from financing activities		(121,219)	(606,810)
NET INCREASE IN CASH AND CASH EQUIVALENTS		659,815	484,385
Cash and cash equivalents at beginning of year		2,321,961	1,830,544
Effect of foreign exchange rate changes, net		(894)	7,032
CASH AND CASH EQUIVALENTS AT END OF YEAR		2,980,882	2,321,961