

Consolidated Cash Flow Statement

For the year ended 31 December 2006

	Note	Year ended 31 December	
		2006 RMB'000	2005 RMB'000
Cash flows from operating activities:			
Cash generated from operations	33(a)	806,500	1,068,378
Interest paid		(91,163)	(34,230)
Income tax paid		(172,466)	(116,652)
Net cash generated from operating activities		542,871	917,496
Cash flows from investing activities:			
Acquisition of jointly controlled entities, net of cash acquired	35	7,904	58,542
Proceeds from disposal of subsidiaries	33(b)	57,357	1,348
Change of a jointly controlled entity to an associate	33(c)	(8,255)	—
Proceeds from disposal of investments in an associate		49	17,000
Purchase of property, plant and equipment		(790,829)	(647,382)
Proceeds from disposal of property, plant and equipment		11,979	18,858
Purchase of intangible assets		(904)	(483)
Purchase of land use rights		(72,516)	(767,301)
Proceeds from disposal of land use rights		4,922	64,183
Decrease in long-term bank deposits		—	1,238
Loans granted to related parties		(132,235)	(292,763)
Loan repayments received from related parties		200,704	461,550
Loans granted to Transfer-out Companies		—	(170,000)
Loan repayments received from Transfer-out Companies		—	580,000
Interest received		9,109	8,493
Dividends received		123,901	105,569
Increase in investments in associates		(23,840)	(73,595)
Purchase of available-for-sale financial assets		(1,673)	—
Proceeds from disposal of available-for-sale financial assets		5,009	1,777
Acquisition of equity interests of certain Transfer-in Companies and Jin Jiang Hotels Development under common control		(113,941)	(336,513)
Acquisition of equity interests in subsidiaries from minority interests		(112,035)	(43,016)
Net cash used in investing activities		(835,294)	(1,012,495)

Consolidated Cash Flow Statement (Continued)

For the year ended 31 December 2006

	Note	Year ended 31 December	
		2006 RMB'000	2005 RMB'000
Cash flows from financing activities:			
Proceeds from issue of ordinary shares, net of issuing expenses paid		2,737,867	—
Capital contributions from minority shareholders		16,040	—
Capital injections to Transfer-in Companies by their then equity holders		—	142,490
Proceeds from bank borrowings		1,282,659	2,279,593
Repayments of bank borrowings		(790,493)	(1,133,931)
Repayments of related party borrowings		—	(586,100)
Proceeds from borrowings to Transfer-out Companies		—	(47,300)
Dividends paid by Transfer-in Companies to Jin Jiang International		—	(92,846)
Dividends paid to minority interests		(78,892)	(51,167)
Decrease in deposits from related parties		(18,169)	(558,211)
Dividends paid to equity holders	32	(172,612)	—
Net cash generated from/(used in) financing activities		2,976,400	(47,472)
Increase/(decrease) in cash and cash equivalents		2,683,977	(142,471)
Cash and cash equivalents at beginning of the year		832,916	975,387
Cash and cash equivalents at end of the year	19	3,516,893	832,916

The notes on pages 64 to 136 are an integral part of these consolidated financial statements.