

# Consolidated Cash Flow Statement

Year ended 31 December 2004

	2004 RMB'000	2003 RMB'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	755,455	650,128
Adjustments for:		
Depreciation	158,834	130,423
Provision/(write-back of provision) for doubtful debts	(6,354)	1,900
Interest expenses	12,704	12,622
Interest income	(8,377)	(12,259)
Loss on disposal of fixed assets	8,388	6,385
Share of profit of associates	(21,838)	—
Operating profit before working capital changes	898,812	789,199
Working capital adjustments:		
Decrease in inventories	46,909	94,949
Decrease/(increase) in trade debtors	424,949	(29,621)
Increase in deposits, prepayments and other receivables	(14,734)	(129)
Increase/(decrease) in trade creditors	41,255	(1,754)
Decrease in accruals and other creditors	(29,746)	(22,345)
Cash generated from operations	1,367,445	830,299
Interest paid	(12,704)	(12,622)
Interest received	8,377	12,259
Tax paid	(135,243)	(93,990)
Net cash generated from operating activities	1,227,875	735,946
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of fixed assets	(310,685)	(486,775)
Proceeds on disposal of fixed assets	3,278	—
Increase in deposits for acquisition of fixed assets	(33,775)	(88,751)
Decrease/(increase) in time deposits with original maturity of more than three months when acquired	522,940	(144,959)
Acquisition of associates	(223,401)	—
Net cash used in investing activities	(41,643)	(720,485)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Drawdown of bank loans	180,000	200,000
Repayment of bank loans	(200,000)	(200,000)
Dividends paid	(201,732)	(287,865)
Net cash outflow from financing activities	(221,732)	(287,865)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	964,500	(272,404)
Cash and cash equivalents at beginning of year	212,418	484,822
CASH AND CASH EQUIVALENTS AT END OF YEAR	1,176,918	212,418
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	1,249,418	807,858
Time deposits with original maturity of more than three months when acquired	(72,500)	(595,440)
	1,176,918	212,418