

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2016

Notes	2016 RMB'000	2015 RMB'000
Operating activities		
Profit before tax	3,055,901	2,824,963
Adjustments for:		
Depreciation and amortisation	850,387	845,518
Impairment losses on accounts and bills and other receivables	319,616	583,792
Impairment losses on property, plant and equipment and construction in progress	3,914	–
Impairment losses on inventories	57,951	63,260
Interest income	(184,088)	(143,392)
Finance costs	46,667	51,392
Share of profits of associates	(66,095)	(49,985)
Dividend income	(51,142)	(63,857)
Changes in fair value of financial derivatives	1,650	(3,524)
Gain on disposal of subsidiaries	(36,712)	–
Loss/(gain) on disposal of property, plant and equipment and other intangible assets, net	3,322	(29,013)
Exchange differences	6,934	41,118
Write-back of non-payable liabilities	(18,282)	(34,443)
Operating profit before changes in working capital	3,990,023	4,085,829
Decrease/(increase) in inventories	604,703	(526,351)
Increase in accounts and bills receivable	(1,625,183)	(583,468)
Increase in prepayments and other current assets	(269,808)	(1,347,048)
Increase in accounts and bills payable	688,286	871,498
Increase in receipts in advance for contract work	1,134,555	1,333,454
Increase in accrued expenses and other payables	1,144,360	1,353,086
Net cash inflow from operations	5,666,936	5,187,000
Interest paid	(47,202)	(50,334)
Interest received	180,472	126,758
Income tax paid	(534,958)	(575,613)
Net cash generated from operating activities	5,265,248	4,687,811

For the year ended 31 December 2016

	Notes	2016 RMB'000	2015 RMB'000
Investing activities			
Payments for purchase of property, plant and equipment, lease prepayments and other intangible assets		(846,649)	(811,769)
Proceeds from disposal of property, plant and equipment and other intangible assets		18,655	161,637
Restricted bank deposits received/(paid)		39,269	(1,102,061)
Dividends received		115,079	63,727
Proceeds from disposal of investments		71,356	1,463
Payments for acquisition of investments		(5,405)	(750)
Other cash paid related to investing activities		(1,131)	(623)
Other cash received related to investing activities		4,474	2,212
Net cash used in investing activities		(604,352)	(1,686,164)
Financing activities			
Capital contribution from non-controlling interests		20,327	–
Proceeds from bank and other loans		34,466	225,813
Repayments of bank and other loans		(182,873)	(302,502)
Dividends paid		(821,092)	(716,142)
Net cash used in financing activities		(949,172)	(792,831)
Increase in cash and cash equivalents		3,711,724	2,208,816
Cash and cash equivalents at beginning of year		9,535,851	7,313,515
Effect of foreign exchange rate changes		76,504	13,520
Cash and cash equivalents at end of the year	31	13,324,079	9,535,851

The notes on pages 111 to 180 form part of these consolidated financial statements.