

## CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2017

Notes	2017 RMB'000	2016 RMB'000
<b>Operating activities</b>		
Profit before tax	3,231,811	3,055,901
Adjustments for:		
Depreciation and amortisation	828,441	850,387
Impairment losses on accounts and bills and other receivables, net	166,965	319,616
Impairment losses on property, plant and equipment and construction in progress	–	3,914
Impairment losses on inventories	34,261	57,951
Interest income	(202,679)	(184,088)
Finance costs	47,119	46,667
Share of profits of associates	(63,782)	(66,095)
Dividend income	(77,732)	(51,142)
Investment income and fair value (gains)/losses of financial instruments at fair value through profit or loss	(17,362)	1,650
Gain on disposal of subsidiaries	(11,759)	(36,712)
(Gain)/loss on disposal of property, plant and equipment and other intangible assets, net	(14,255)	3,322
Exchange differences	22,448	6,934
Write-back of non-payable liabilities	(23,698)	(18,282)
<b>Operating profit before changes in working capital</b>	<b>3,919,778</b>	<b>3,990,023</b>
(Increase)/decrease in inventories	(88,662)	604,703
Increase in accounts and bills receivable	(1,112,331)	(1,625,183)
Increase in prepayments and other current assets	(2,074,062)	(269,808)
Increase in accounts and bills payable	4,201,272	688,286
Increase in receipts in advance for contract work	951,187	1,134,555
Increase in accrued expenses and other payables	1,580,281	1,144,360
<b>Net cash inflow from operations</b>	<b>7,377,463</b>	<b>5,666,936</b>
Interest paid	(40,167)	(47,202)
Interest received	200,100	180,472
Income tax paid	(573,151)	(534,958)
<b>Net cash generated from operating activities</b>	<b>6,964,245</b>	<b>5,265,248</b>

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For the year ended 31 December 2017

	Notes	2017 RMB'000	2016 RMB'000
<b>Investing activities</b>			
Payments for purchase of property, plant and equipment and other intangible assets		(1,013,640)	(846,649)
Proceeds from disposal of property, plant and equipment and other intangible assets		27,079	18,655
Restricted bank deposits received		286,080	39,269
Dividends received		125,401	115,079
Proceeds from disposal of investments		–	71,356
Payments for acquisition of wealth management products and structured deposits		(6,950,000)	–
Proceeds from disposal of wealth management products and structured deposits		1,950,000	–
Payments for acquisition of investments		(129,377)	(5,405)
Other cash paid related to investing activities		(7,692)	(1,131)
Other cash received related to investing activities		28,437	4,474
<b>Net cash used in investing activities</b>		<b>(5,683,712)</b>	<b>(604,352)</b>
<b>Financing activities</b>			
Capital contribution from non-controlling interests		–	20,327
Proceeds from bank and other loans		296,896	34,466
Repayments of bank and other loans		(689,496)	(182,873)
Dividends paid		(938,242)	(821,092)
Other cash paid related to financing activities		(49)	–
Other cash received related to financing activities		29,007	–
<b>Net cash used in financing activities</b>		<b>(1,301,884)</b>	<b>(949,172)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(21,351)</b>	<b>3,711,724</b>
<b>Cash and cash equivalents at beginning of year</b>		<b>13,324,079</b>	<b>9,535,851</b>
<b>Effect of foreign exchange rate changes</b>		<b>(36,097)</b>	<b>76,504</b>
<b>Cash and cash equivalents at end of the year</b>	32	<b>13,266,631</b>	<b>13,324,079</b>

The notes on pages 107 to 180 form part of these consolidated financial statements.