

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2018

	2018 RMB'000	2017 RMB'000
Operating activities		
Profit before tax	3,425,304	3,231,811
Adjustments for:		
Depreciation and amortisation	838,137	828,441
Impairment losses on accounts receivable, other receivables and contract assets, net	289,992	166,965
Impairment losses on inventories, net	27,944	34,261
Interest income	(181,612)	(202,679)
Finance costs	25,179	47,119
Share of profits of associates and joint ventures	(105,421)	(63,782)
Dividend income	(1,575)	(77,732)
Investment income and fair value gains of financial instruments at fair value through profit or loss	(252,058)	(17,362)
Gain on disposal of subsidiaries	(20,206)	(11,759)
Gain on disposal of property, plant and equipment, construction in progress, other intangible assets and lease prepayments, net	(48,588)	(14,255)
Exchange differences	23,899	22,448
Write-back of non-payable liabilities	(37,184)	(23,698)
Operating profit before changes in working capital	3,983,811	3,919,778
Decrease/(increase) in inventories	5,078	(88,662)
Increase in accounts and bills receivable	(188,956)	(1,112,331)
Increase in contract assets	(4,208,117)	–
Increase in prepayments and other current assets	(166,367)	(2,074,062)
Increase in accounts and bills payable	3,693,666	4,201,272
Increase in contract liabilities	358,185	–
Increase in receipts in advance for contract work	–	951,187
Increase in accrued expenses and other payables	1,177,350	1,580,281
Net cash inflow from operations	4,654,650	7,377,463
Interest paid	(20,598)	(40,167)
Interest received	206,616	200,100
Income tax paid	(579,697)	(573,151)
Net cash generated from operating activities	4,260,971	6,964,245

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2018

	Note	2018 RMB'000	2017 RMB'000
Investing activities			
Payments for purchase of property, plant and equipment, construction in progress, other intangible assets and lease prepayments		(987,379)	(1,013,640)
Proceeds from disposal of property, plant and equipment, other intangible assets and lease prepayments		268,144	27,079
Restricted bank deposits received		626,116	286,080
Dividends received		55,928	125,401
Proceeds from disposal of investments		17,270	–
Payments for acquisition of wealth management products and structured deposits		(10,650,000)	(6,950,000)
Proceeds from disposal of wealth management products and structured deposits		10,650,000	1,950,000
Payments for acquisition of investments		(759,359)	(129,377)
Other cash paid related to investing activities		(21,237)	(7,692)
Other cash received related to investing activities		249,631	28,437
Net cash used in investing activities		(550,886)	(5,683,712)
Financing activities			
Proceeds from bank and other loans		793,786	296,896
Repayments of bank and other loans		(660,823)	(689,496)
Dividends paid		(1,013,058)	(938,242)
Other cash paid related to financing activities		(5,768)	(49)
Other cash received related to financing activities		153	29,007
Net cash used in financing activities		(885,710)	(1,301,884)
Net increase/(decrease) in cash and cash equivalents		2,824,375	(21,351)
Cash and cash equivalents at beginning of year		13,266,631	13,324,079
Effect of foreign exchange rate changes		15,240	(36,097)
Cash and cash equivalents at end of year	34	16,106,246	13,266,631

The notes on pages 111 to 192 form part of these consolidated financial statements.