

Giti Tire Pte Ltd. & Its Subsidiaries

Consolidated Statement Of Cash Flows

Year ended December 31, 2014

Unaudited Management Accounts

	Group
	RMB' millions
OPERATING ACTIVITIES	
Profit before tax	1,012
Adjustments for:	
Amortisation of intangible assets	5
Depreciation of property, plant and equipment	972
Impairment loss recognised on :	
Inventories	44
Trade receivables	2
Pproperty, plant and equipment	23
Interest expense	881
Interest income	(77)
Investment income from other equity investments	(7)
Gain on disposal of property, plant and equipment	(1)
Release of prepaid lease payments	64
Share of results of an associate	42
Government grants received for purchase of property,plant and equipment	(1)
Gain from fair value adjustments on forward exchange contracts	(26)
Net fair value gain on held for trading investment	(2)
Provision for post-employment benefits	87
Operating cash flows before movements in working capital	3,018
Increase in inventories	(278)
Decrease in trade and other receivables	288
Increase in amounts due from related companies	(9)
Increase in trade and other payable	43
Decrease in amounts due to related companies	(13)
Cash generated from operations	3,049
Income taxes paid	(435)
Interest paid	(885)
Payment of post-employment benefits	(32)
Net cash from operating activities	1,697

INVESTING ACTIVITIES

Payment for acquisition of property, plant and equipment	(1,241)
Deposit for acquisition of property, plant and equipment	(226)
Purchase of investment property	(19)
Acquisition of intangible assets	(25)
Proceeds on disposal of property, plant and equipment	3
Proceeds on disposal of subsidiary	7
Interest received	43
Purchases of investment held for trading	(31)
Prepaid lease payments made	(268)
Proceeds from sale of available for sales	21
Purchases of available for sale investments	(57)
Government grants received	9
NET CASH USED IN INVESTING ACTIVITIES	<u>(1,784)</u>

FINANCING ACTIVITIES

Restricted deposits	38
New borrowings raised	6,032
Repayment of borrowings	(6,959)
Bond Issued	474
Payment of issuance cost of bonds payable	(11)
Dividends paid to immediate holding company	(73)
Dividends paid to non-controlling interest	(62)
NET CASH FROM (USED IN) FINANCING ACTIVITIES	<u>(560)</u>

NET INCREASE IN CASH AND CASH EQUIVALENTS	(647)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	2,120
Effect of foreign exchange rate changes	72
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, REPRESENTED BY BANK BALANCES AND CASH	<u><u>1,545</u></u>