

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2004

(Expressed in Hong Kong dollars)

		2004		2003	
Note	\$'000	\$'000	\$'000	\$'000	\$'000
Operating activities					
Profit from ordinary activities before taxation	389,762		384,235		
Adjustments for:					
Share of profits less losses of associates	(99,423)		(119,940)		
Amortisation of goodwill	235		235		
Recognition of negative goodwill	(352)		(352)		
Depreciation and amortisation	48,929		59,597		
Net loss/(gain) on disposal of fixed assets	71		(1,386)		
Loss/(gain) on disposal of investment properties	4,498		(14,624)		
Impairment of fixed assets	13		3,487		
Interest income	(41,159)		(30,920)		
Finance costs	56,670		55,817		
Dividends from unlisted non-trading securities	(5,457)		(1,434)		
Impairment of non-trading securities charged/(written back)	8,018		(3,097)		
Net gain on dissolution of a subsidiary	(1,620)		–		
Foreign exchange gain	(6,349)		(53,885)		
		353,836		277,733	
Operating profit before changes in working capital					
Increase in trading securities	(75,778)		(32,257)		
Decrease in inventories	7,365		3,128		
Decrease in debtors, deposits and prepayments	6,929		20,784		
Decrease in creditors and accrued charges	(33,274)		(169)		
Increase in amounts due from fellow subsidiaries	(10,313)		(2,302)		
Decrease in amounts due to fellow subsidiaries	(1,829)		(2,009)		
Decrease/(increase) in amounts due from associates	1,179		(75)		
Increase in amounts due to associates	14,480		–		
		262,595		264,833	
Cash generated from operations					
Tax paid					
Hong Kong Profits Tax paid	(19,433)		(17,167)		
Hong Kong Profits Tax refunded	174		–		
Overseas tax paid	(23,943)		(18,706)		
		(43,202)		(35,873)	
Net cash generated from operating activities carried forward					
		219,393		228,960	

CONSOLIDATED CASH FLOW STATEMENT

(Continued)

For the year ended 31 December 2004

(Expressed in Hong Kong dollars)

		2004		2003	
	Note	\$'000	\$'000	\$'000	\$'000
Net cash generated from operating activities brought forward			219,393		228,960
Investing activities					
Purchase of fixed assets		(15,398)		(25,275)	
Disposal of fixed assets		48,428		255,272	
Interest received		41,199		31,310	
Dividends received from unlisted non-trading securities		5,457		1,434	
Dividends received from an associate		58,390		—	
Net cash generated from investing activities			138,076		262,741
Financing activities					
Interest paid		(69,046)		(54,794)	
Dividends paid		(156,523)		(115,177)	
Capital element of finance leases paid		(616)		(564)	
Repayment of bank loans		(83,507)		(177,557)	
Decrease/(increase) in deposits pledged		37,109		(7,201)	
Net cash used in financing activities			(272,583)		(355,293)
Net increase in cash and cash equivalents			84,886		136,408
Effect of foreign exchange rates			35,433		153,053
Cash and cash equivalents at 1 January			1,004,140		714,679
Cash and cash equivalents at 31 December	20		1,124,459		1,004,140

The notes on pages 26 to 67 form part of these financial statements.