

# CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2005

(Expressed in Hong Kong dollars)

	2005		2004 (restated)	
Note	\$'000	\$'000	\$'000	\$'000
<b>Operating activities</b>				
Profit before taxation	1,151,314		1,031,918	
Adjustments for:				
– Net valuation gain on investment properties	(729,717)		(681,366)	
– Depreciation and amortisation	52,219		48,929	
– Impairment of fixed assets	18		13	
– Impairment of trade receivables provided/ (written-back)	5		(653)	
– Amortisation of goodwill	–		235	
– Recognition of negative goodwill	–		(352)	
– Finance costs	53,934		56,670	
– Dividend income from investments in securities	(6,525)		(8,329)	
– Interest income from listed securities	(427)		(415)	
– Interest income from bank deposits	(48,369)		(41,159)	
– Share of profits less losses of associates	(62,582)		(52,612)	
– Net (gain)/loss on disposal of fixed assets	(506)		71	
– Gain on disposal of investment properties	(9,240)		(3,103)	
– Impairment of available-for-sale securities	–		8,018	
– Net gain on dissolution of a subsidiary	(10,035)		(1,620)	
– Net realised and unrealised gains on trading securities	(16,539)		(41,514)	
– Foreign exchange loss/(gain)	2,751		(6,349)	
	376,301		308,382	
<b>Operating profit before changes in working capital</b>				
(Increase)/decrease in inventories	(15,310)		7,365	
Decrease in debtors, deposits and prepayments	9,558		7,582	
Decrease/(increase) in amounts due from fellow subsidiaries	13,452		(10,313)	
Decrease in amounts due from associates	30		1,179	
Increase/(decrease) in creditors and accrued charges	33,068		(33,274)	
Decrease in amounts due to fellow subsidiaries	(1,774)		(1,829)	
(Decrease)/increase in amounts due to associates	(79)		14,480	
	415,246		293,572	
<b>Cash generated from operations</b>				

# CONSOLIDATED CASH FLOW STATEMENT

(Continued)

For the year ended 31 December 2005

(Expressed in Hong Kong dollars)

		2005		2004 (restated)	
	Note	\$'000	\$'000	\$'000	\$'000
Tax paid					
– Hong Kong Profits Tax paid		(18,482)		(19,433)	
– Hong Kong Profits Tax refunded		131		174	
– Overseas tax paid		(22,144)		(23,943)	
<b>Net cash generated from operating activities</b>			374,751		250,370
<b>Investing activities</b>					
Payment of lease incentives		(52,753)		–	
Payment for the purchase of fixed assets		(53,675)		(15,398)	
Proceeds from disposal of fixed assets		37,728		48,428	
Interest income from bank deposits received		47,621		41,199	
Interest income from listed securities received		427		415	
Payment for purchase of trading securities		(70,835)		(117,507)	
Proceeds from sale of trading securities		52,240		83,243	
Dividends received from investments					
in securities		6,098		8,329	
Dividends received from an associate		–		58,390	
<b>Net cash (used in)/generated from investing activities</b>			(33,149)		107,099
<b>Financing activities</b>					
Capital element of finance lease rentals paid		(614)		(616)	
Repayment of bank loans		(47,148)		(83,507)	
Interest paid		(40,618)		(69,046)	
Dividends paid to shareholders					
of the Company		(177,196)		(156,523)	
Decrease in deposits pledged		–		37,109	
<b>Net cash used in financing activities</b>			(265,576)		(272,583)
<b>Net increase in cash and cash equivalents</b>			76,026		84,886
<b>Cash and cash equivalents at 1 January</b>			1,124,459		1,004,140
<b>Effect of foreign exchange rate changes</b>			(39,770)		35,433
<b>Cash and cash equivalents at 31 December</b>	22		1,160,715		1,124,459

The notes on pages 36 to 101 form part of these financial statements.