

Consolidated Cash Flow Statement

For the year ended 31st March, 2006

	2006 HK\$'000	2005 HK\$'000 (Restated)
OPERATING ACTIVITIES		
Profit before taxation	475,530	399,638
Adjustments for:		
Share of results of associates	2,987	(104)
Share of results of jointly controlled entities	(12,874)	(475)
Interest income	(24,459)	(23,083)
Interest expenses	79,796	26,750
Dividend income from listed investments	(11,970)	(3,238)
Finance lease charges	91	306
Depreciation	83,870	62,382
Impairment loss on property, plant and equipment	–	4,665
Impairment loss on other intangible assets	–	1,055
Discount on acquisition of subsidiaries	(9,362)	–
Release of negative goodwill	–	(2,900)
Amortisation of goodwill	–	15,309
Amortisation of other intangible assets	3,321	2,881
Loss on liquidation of subsidiaries	–	533
Net (gain) loss on disposal of property, plant and equipment	(4,528)	4,210
Increase in fair value of investment properties	(30,709)	(44,183)
Decrease in fair value of derivative financial instruments	10,003	–
Increase in fair value of investments at fair value through profit or loss	(27,931)	–
Provision for bad debts written back	(1,939)	–
Amortisation of prepaid lease payments	10,642	10,797
Write-down of properties for sale	3,930	28,253
Write-down of inventories	2,763	1,785
Deficit on revaluation of properties for own use	–	6,881
Loss on disposal of jointly controlled entities	–	62
Impairment loss on investment in an associate	–	1,413
Impairment loss on goodwill	3,286	–
Decrease in value of available-for-sale investments	2,466	–
Operating cash flows before movements in working capital	554,913	492,937
(Increase) decrease in inventories	(11,342)	7,906
Decrease in properties for sale	154,765	167,247
(Increase) decrease in debtors, deposits and prepayments	(172,019)	317,538
Increase in amounts due from customers for contract work	(19,688)	(9,860)
Increase in investments at fair value through profit or loss	(63,342)	–
Increase in investments in securities	–	(463,807)
Increase in other unlisted investments	–	(42,072)
Decrease in creditors, bills payable, deposits and accruals	(104,371)	(81,322)
Decrease in unearned insurance premiums	(27,319)	(87,798)
(Decrease) increase in outstanding insurance claims	(53,023)	24,723
Increase in amounts due to associates	531	–
Increase (decrease) in amounts due to customers for contract work	29,682	(128,044)
(Decrease) increase in deferred service income	(75)	1,619
Net decrease in derivative financial instruments	414	–
Exchange difference	11,832	(5,941)
Cash generated from operations	300,958	193,126
Interest paid	(71,472)	(26,194)
Finance lease charges paid	(91)	(306)
Profits tax and Mainland China income tax paid	(65,540)	(52,029)
Profits tax refunded	7,967	1,427
NET CASH FROM OPERATING ACTIVITIES	171,822	116,024

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For the year ended 31st March, 2006

	Note	2006 HK\$'000	2005 HK\$'000 (Restated)
INVESTING ACTIVITIES			
Interest received		22,386	22,407
Dividends received from associates		500	1,000
Purchase of property, plant and equipment, and prepaid lease payments		(114,508)	(52,214)
Expenditure on other intangible assets		(1,992)	(5,935)
Dividends received from listed investments		11,970	3,238
Proceeds from disposal of property, plant and equipment, and prepaid lease payments		36,655	5,853
Net cash outflow from acquisition of subsidiaries	41	(211,937)	(34,108)
Purchase of additional interest in subsidiaries		(96,754)	(93,361)
Investment in associates		(13,981)	(338)
Investments in jointly controlled entities		(148,138)	(36,899)
Net advances to associates		(17,923)	(4,664)
Net advances to jointly controlled entities		(68,250)	(89,642)
Purchase of available-for-sale investments		(79,564)	–
Increase in investments in securities		–	(1,718)
Decrease in pledged deposits		–	89,425
Withdrawal of fixed deposits with maturity over three months		–	7,800
Placing of fixed deposits with maturity over three months		–	(241,800)
NET CASH USED IN INVESTING ACTIVITIES		(681,536)	(430,956)
FINANCING ACTIVITIES			
Dividends paid		(175,507)	(111,432)
Dividends paid to minority shareholders of subsidiaries		(3,339)	(4,124)
New bank and other loans raised		990,650	522,111
Repayment of bank and other loans		(676,819)	(130,981)
Repayment of obligations under finance leases		(4,458)	(3,013)
Contribution by minority shareholders of subsidiaries		1,999	3,809
NET CASH FROM FINANCING ACTIVITIES		132,526	276,370
Net decrease in cash and cash equivalents		(377,188)	(38,562)
Cash and cash equivalents at beginning of the year		1,015,852	1,051,550
Effect of changes in foreign exchange rates		(4,414)	2,864
Cash and cash equivalents at the end of the year		634,250	1,015,852
Analysis of balance of cash and cash equivalents			
Bank balances and cash equivalents		635,412	1,017,747
Bank overdrafts		(1,162)	(1,895)
		634,250	1,015,852