

# Consolidated Cash Flow Statement

Year ended 31 March 2006

	<i>Notes</i>	<b>2006</b> <b>HK\$'000</b>	2005 HK\$'000
			(Restated)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		<b>321,631</b>	307,148
Adjustments for:			
Interest income	5	<b>(8,405)</b>	(9,344)
Finance costs	7	<b>28,247</b>	12,203
Share of profits and losses of associates		—	(4,756)
Depreciation	6	<b>111,267</b>	84,567
Recognition of prepaid land lease payments	15	<b>4,393</b>	2,284
Loss on disposal of items of property, plant and equipment	6	<b>974</b>	772
Unrealised gains on listed investments	5	—	(3,639)
Unrealised loss on unlisted investment		—	26
Dividend income from available-for-sale investments/long term investments	5	<b>(361)</b>	(258)
Fair value loss on derivative component of convertible bonds	6	<b>1,800</b>	—
Transaction cost related to derivative component of convertible bonds	6	<b>2,932</b>	—
Operating profit before working capital changes		<b>462,478</b>	389,003
Increase in amounts due from associates		—	(50,233)
Decrease/(increase) in inventories		<b>52,897</b>	(26,154)
Decrease/(increase) in accounts and bills receivable		<b>102,377</b>	(64,304)
Decrease/(increase) in prepayments, deposits and other receivables		<b>26,117</b>	(22,417)
Increase in derivative financial instruments		<b>(437)</b>	—
Increase/(decrease) in accounts payable		<b>(10,178)</b>	16,349
Increase/(decrease) in other payables and accrued liabilities		<b>(10,319)</b>	18,312
Cash generated from operations		<b>622,935</b>	260,556
Hong Kong profits tax paid		<b>(15,274)</b>	(24,668)
Mainland China tax paid		<b>(29,579)</b>	(31,290)
Net cash inflow from operating activities		<b>578,082</b>	204,598

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			(Restated)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received		<b>8,405</b>	9,344
Dividend received from available-for-sale investments/long term investments		<b>361</b>	258
Dividend received from associates		—	7,516
Purchases of items of property, plant and equipment	14	<b>(120,738)</b>	(195,156)
Additions to prepaid land lease payments	15	<b>(242)</b>	(23,285)
Additions to properties under construction	18	<b>(50,037)</b>	(50,012)
Acquisition of subsidiaries	30(b)	—	(70,026)
Proceeds from disposal of items of property, plant and equipment		<b>3,228</b>	675
Increase in time deposits with original maturity of over three months		<b>(38,385)</b>	—
Fair value adjustment on time deposits designated as hedging instrument		<b>(1,051)</b>	—
Net cash outflow from investing activities		<b>(198,459)</b>	(320,686)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of convertible bonds	26	<b>750,000</b>	—
Issue cost of convertible bonds		<b>(25,497)</b>	—
Dividends paid	30(a)	<b>(66,053)</b>	(137,480)
Dividends paid to minority shareholders		<b>(28,049)</b>	(14,943)
New bank loans		<b>131,050</b>	232,236
Repayment of bank loans		<b>(177,397)</b>	(56,123)
Repayment of trust receipt loans		<b>(10,999)</b>	(3,110)
Contributions from minority shareholders		<b>13,200</b>	4,752
Interest paid		<b>(28,247)</b>	(12,203)
Net cash inflow from financing activities		<b>558,008</b>	13,129
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>937,631</b>	(102,959)
Cash and cash equivalents at beginning of year		<b>334,416</b>	437,375
Effect of foreign exchange rate changes, net		<b>353</b>	—
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b>1,272,400</b>	334,416
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances	23	<b>196,285</b>	170,962
Time deposits with original maturity of less than three months when acquired		<b>1,076,361</b>	163,454
Bank overdraft	25	<b>(246)</b>	—
		<b>1,272,400</b>	334,416