

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2006

(Expressed in Hong Kong dollars)

	2006	2005
	\$'000	(restated) \$'000
Note		
Operating activities		
Profit before taxation	645,620	1,148,545
Adjustments for:		
– Net valuation gain on investment properties	(257,227)	(729,717)
– Depreciation and amortisation	62,493	52,219
– Impairment of fixed assets	68	18
– Impairment of trade receivables (written-back)/provided	(1)	5
– Impairment of available-for-sale securities	–	2,769
– Finance costs	53,397	53,934
– Dividend income from investments in securities	(6,654)	(6,525)
– Interest income from listed securities	(448)	(427)
– Interest income from bank deposits	(62,024)	(48,369)
– Share of profits of associates	(48,589)	(62,582)
– Net gain on disposal of fixed assets	(8)	(506)
– Gain on disposal of investment properties	–	(9,240)
– Net gain on dissolution of a subsidiary	–	(10,035)
– Net realised and unrealised gains on trading securities	(37,615)	(16,539)
– Foreign exchange (gain)/loss	(3,576)	2,751
	345,436	376,301
Operating profit before changes in working capital		
Increase in inventories	(3,283)	(15,310)
(Increase)/decrease in debtors, deposits and prepayments	(13,300)	9,558
(Increase)/decrease in amounts due from fellow subsidiaries	(3,046)	13,452
Decrease in amounts due from associates	–	30
Increase in creditors and accrued charges	58,680	33,068
Increase/(decrease) in amounts due to fellow subsidiaries	413	(1,774)
Decrease in amounts due to associates	(89)	(79)
	384,811	415,246
Cash generated from operations		
Tax paid		
– Hong Kong Profits Tax paid	(18,019)	(18,482)
– Hong Kong Profits Tax refunded	–	131
– Overseas tax paid	(10,887)	(22,144)
	355,905	374,751
Net cash generated from operating activities	355,905	374,751

CONSOLIDATED CASH FLOW STATEMENT

(Continued)

For the year ended 31 December 2006

(Expressed in Hong Kong dollars)

	Note	2006 \$'000	2005 (restated) \$'000
Investing activities			
Payment of lease incentives		(7,401)	(52,753)
Payment for the purchase of fixed assets		(35,456)	(53,675)
Proceeds from disposal of fixed assets		147	37,728
Interest income from bank deposits received		60,870	47,621
Interest income from listed securities received		448	427
Payment for purchase of available-for-sale securities		(3,901)	–
Payment for purchase of trading securities		(62,865)	(70,835)
Proceeds from sale of trading securities		96,874	52,240
Dividends received from investments in securities		6,957	6,098
		55,673	(33,149)
		55,673	(33,149)
Financing activities			
Capital element of finance leases rentals paid		(51)	(614)
Repayment of bank loan		–	(47,148)
Interest paid		(60,244)	(40,618)
Dividends paid to shareholders of the Company		(203,775)	(177,196)
		(264,070)	(265,576)
		(264,070)	(265,576)
Net increase in cash and cash equivalents		147,508	76,026
Cash and cash equivalents at 1 January		1,160,715	1,124,459
Effect of foreign exchange rate changes		41,946	(39,770)
		41,946	(39,770)
Cash and cash equivalents at 31 December	22	1,350,169	1,160,715

The notes on pages 36 to 91 form part of these financial statements.