

Consolidated Cash Flow Statement

Year ended 31 March 2007

	<i>Notes</i>	2007 HK\$'000	2006 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		357,654	321,631
Adjustments for:			
Bank interest income	5	(23,004)	(8,405)
Finance costs	7	61,493	28,247
Depreciation	6	122,307	111,267
Recognition of prepaid land lease payments	15	3,270	4,393
Loss on disposal of items of property, plant and equipment	6	236	974
Impairment on accounts receivable	6	3,801	3,174
Dividend income from available-for-sale investments	5	(361)	(361)
Fair value (gain)/loss on derivative component of convertible bonds		(55,275)	1,800
Transaction cost related to derivative component of convertible bonds	6	—	2,932
Fair value (gain)/loss on derivative financial instruments	6	1,090	(2,726)
Fair value loss on short-term note	6	275	—
Fair value gain on structured deposits	5	(8,734)	—
Fair value gain on structured borrowings	5	(257)	—
		462,495	462,926
Decrease/(increase) in inventories		(95,658)	52,897
Decrease/(increase) in accounts and bills receivable		(218,475)	99,203
Decrease in prepayments, deposits and other receivables		8,877	26,117
Increase/(decrease) in accounts payable		67,349	(10,178)
Decrease in other payables and accrued liabilities		(21,507)	(10,319)
Cash generated from operations		203,081	620,646
Hong Kong profits tax paid		(24,339)	(15,274)
Mainland China tax paid		(20,509)	(29,579)
Net cash inflow from operating activities		158,233	575,793

	<i>Notes</i>	2007 HK\$'000	2006 HK\$'000
CASH FLOWS FROM INVESTING ACTIVITIES			
Increase in a short-term note		(23,370)	—
Receipt from derivative financial instruments		2,890	2,289
Receipt from structured deposits		9,525	—
Interest received		21,504	8,405
Dividend received from available-for-sale investments		361	361
Purchases of items of property, plant and equipment	14	(146,651)	(120,738)
Additions to prepaid land lease payments	15	(2,483)	(242)
Additions to properties under construction	18	(67,504)	(50,037)
Acquisition of subsidiaries	33	(136)	—
Proceeds from disposal of items of property, plant and equipment		3,631	3,228
Increase in time deposits with original maturity of over three months		(142,120)	(38,385)
Fair value adjustment on time deposits designated as hedging instruments		702	(1,051)
Increase in structured deposits		(379,340)	—
Net cash outflow from investing activities		(722,991)	(196,170)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from the issue of convertible bonds	29	—	750,000
Issue cost of convertible bonds		—	(25,497)
Dividends paid		(177,230)	(66,053)
Dividends paid to minority shareholders		(26,169)	(28,049)
New bank loans		150,710	131,050
Repayment of bank loans		(312,145)	(177,397)
New/(repayment) of trust receipt loans		6,252	(10,999)
Contributions from minority shareholders		17,096	13,200
Interest paid		(24,248)	(28,247)
New structured borrowings		78,100	—
Repayment of structured borrowings		(3,905)	—
Net cash inflow/(outflow) from financing activities		(291,539)	558,008

Consolidated Cash Flow Statement

Year ended 31 March 2007

	<i>Notes</i>	2007 HK\$'000	2006 HK\$'000
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
		(856,297)	937,631
Cash and cash equivalents at beginning of year		1,272,400	334,416
Effect of foreign exchange rate changes, net		6,535	353
CASH AND CASH EQUIVALENTS AT END OF YEAR			
		422,638	1,272,400
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	25	184,710	196,285
Time deposits with original maturity of less than three months when acquired		238,369	1,076,361
Bank overdraft, unsecured	27	(441)	(246)
		422,638	1,272,400