

# Consolidated Cash Flow Statement

For the year ended 31st December 2012

(Expressed in Hong Kong dollars)

	Note	2012 \$ million	2011 \$ million
<b>Operating activities</b>			
Cash generated from operations	21(b)	6,964	7,144
Interest paid		(659)	(639)
Interest received		1,485	1,472
Rate Reduction Reserve rebated		-	(4)
Hong Kong Profits Tax paid		(622)	(564)
Hong Kong Profits Tax refunded		5	-
Tax paid for operations outside Hong Kong		(12)	(15)
Tax refunded for operations outside Hong Kong		63	37
<b>Net cash generated from operating activities</b>		<b>7,224</b>	<b>7,431</b>
<b>Investing activities</b>			
Purchase of fixed assets and capital stock		(2,605)	(2,480)
Decrease/(increase) in bank deposits with more than three months to maturity when placed		851	(1,599)
Capitalised interest paid		(72)	(55)
Receipts from sale of fixed assets		2	2
Redemption of preference shares in an associate		-	189
Investments in associates		(1,281)	-
New loans to associates		(1,192)	-
Repayment of loan from an associate		-	163
Advance to associates		(40)	(1)
Advance to jointly controlled entities		-	(2)
Dividends received from associates		1,564	1,440
Dividends received from jointly controlled entities		794	864
Dividends received from available-for-sale equity securities		41	40
<b>Net cash used in investing activities</b>		<b>(1,938)</b>	<b>(1,439)</b>
<b>Financing activities</b>			
New bank loans and other borrowings		3,787	7,635
Repayment of bank loans and other borrowings		(3,290)	(10,492)
New customers' deposits		278	276
Repayment of customers' deposits		(240)	(223)
Dividends paid to equity shareholders of the Company		(4,951)	(4,503)
<b>Net cash used in financing activities</b>		<b>(4,416)</b>	<b>(7,307)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>870</b>	<b>(1,315)</b>
<b>Cash and cash equivalents at 1st January</b>	21(a)	<b>4,522</b>	<b>5,837</b>
<b>Effect of foreign exchange rate changes</b>		<b>(7)</b>	<b>-</b>
<b>Cash and cash equivalents at 31st December</b>	21(a)	<b>5,385</b>	<b>4,522</b>

The notes on pages 83 to 133 form part of these financial statements.