

Consolidated Cash Flow Statement

For the year ended 31st December, 2000

	Note	2000 \$ Million	1999 \$ Million
Net cash outflow from operating activities	(a)	(12)	(2,648)
Returns on investments and servicing of finance			
Dividends from jointly controlled entities		816	1,063
Dividends from associates		3,326	2,917
Dividends from investments in securities		51	31
Interest received		911	1,026
Interest paid		(1,583)	(1,055)
Dividends paid to shareholders		(3,292)	(2,780)
Dividends paid to minorities		(31)	(8)
Net cash inflow from returns on investments and servicing of finance		198	1,194
Taxation			
Profits tax refunded/(paid)		14	(223)
Investing activities			
Purchase of subsidiaries	(b)	73	–
Restructure of interests in subsidiaries	(c)	(616)	–
Increase of interests in subsidiaries		(20)	–
Investment in jointly controlled entities		–	(486)
Disposal of jointly controlled entities		300	–
Purchase of associates		–	(2)
Disposal of associates		5	91
Advance to jointly controlled entities		(1,262)	(1,942)
Advance to associates		(60)	(248)
Purchase of investments in securities		(561)	(382)
Disposal/redemption of investments in securities		300	2,154
Repayment/(advance) of long term loans		(85)	43
Addition of fixed assets		(1,760)	(3,638)
Disposal of fixed assets		183	6
Decrease in fixed deposits with maturity dates beyond 3 months		–	1,000
Net cash outflow from investing activities		(3,503)	(3,404)
Net cash outflow before financing		(3,303)	(5,081)
Financing			
Borrowing/(repayment) of bank loans		(4,412)	2,594
Borrowing of other loans		5,639	13
Funding from minorities		1,168	2,498
Net cash inflow from financing	(d)	2,395	5,105
Increase/(decrease) in cash and cash equivalents		(908)	24
Cash and cash equivalents at 1st January		3,337	3,313
Cash and cash equivalents at 31st December	(e)	2,429	3,337

Notes:

(a) Reconciliation of profit before taxation to net cash outflow from operating activities

	2000 \$ Million	1999 \$ Million
Profit before taxation	20,526	59,265
Interest income	(968)	(1,054)
Interest expenses	725	667
	20,283	58,878
Dividend income	(51)	(31)
Share of results of jointly controlled entities	(274)	(1,077)
Share of results of associates	(18,007)	(57,997)
Provision for property projects	–	1,263
Profit on disposal of investment properties	(76)	–
(Gain)/loss on investments	294	(915)
Depreciation	57	46
(Increase)/decrease in stock of properties	1,111	(3,062)
Increase/(decrease) in customers' deposits received	(1,474)	165
Decrease in debtors, deposits and prepayments	720	559
Decrease in creditors and accrued expenses	(2,574)	(481)
Exchange difference and other items	(21)	4
Net cash outflow from operating activities	(12)	(2,648)

(b) Purchase of subsidiaries

During the year, the Group acquired an additional 52% interest in a property development project which the Group originally had a 24% interest. Upon completion of the acquisition, the Group had a total of 76% interest in the project and the project companies, previously accounted for as jointly controlled entities, became subsidiaries. The effects of the transactions were as follows:

	2000 \$ Million
Net assets acquired	
Properties under development	2,883
Customers' deposits received	(60)
Bank balances and deposits	78
Debtors, deposits and prepayments	16
Creditors and accrued expenses	(61)
Bank loans	(2,295)
Due from minority shareholder	464
Pre-acquisition loss shared by the Group	464
	1,489
Satisfied by:	
Issue of shares of the Company	1,484
Cash consideration paid	5
	1,489
Net cash inflow in respect of purchase of subsidiaries	
Bank balances and deposits acquired	78
Less: cash consideration paid	(5)
	73

Consolidated Cash Flow Statement *(continued)*

For the year ended 31st December, 2000

(c) Restructure of interests in subsidiaries

During the year, the Group's interest in a property development project was restructured and the project companies, previously accounted for by the Group as subsidiaries, became jointly controlled entities. The effects of the transactions were as follows:

	2000 \$ Million
Changes in assets and liabilities	
Decrease in fixed assets	(10,463)
Decrease in debtors, deposits and prepayments	(202)
Decrease in bank balances and deposits	(616)
Decrease in creditors and accrued expenses	2,786
Decrease in bank loans	132
Decrease in minority interests	3,983
Increase in interests in jointly controlled entities	4,380
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Net cash outflow in respect of restructure of interests in subsidiaries	
Decrease in bank balances and deposits	(616)

(d) Analysis of changes in financing during the year

	Other loans \$ Million	Bank loans \$ Million	Minority interests \$ Million	2000 Total \$ Million	1999 Total \$ Million
Balance at 1st January	2,702	14,964	6,736	24,402	20,222
Net cash inflow/(outflow) from financing	5,639	(4,412)	1,168	2,395	5,105
Minority shareholders' share of profits and reserves	-	-	(108)	(108)	(917)
Purchase of subsidiaries	-	2,295	(464)	1,831	-
Restructure of interests in subsidiaries	-	(132)	(3,983)	(4,115)	-
Increase of interests in subsidiaries	-	-	(20)	(20)	-
Dividends paid to minorities	-	-	(31)	(31)	(8)
Balance at 31st December	8,341	12,715	3,298	24,354	24,402

(e) Cash and cash equivalents

	2000 \$ Million	1999 \$ Million
Bank balances and deposits	2,429	3,337