

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2001

	2001 HK\$ Million	2000 HK\$ Million
Net cash inflow/(outflow) from operating activities (Note a)	107.4	(3,240.8)
Returns on investments and servicing of finance		
Interest received	49.2	132.1
Interest paid	(1,332.8)	(1,257.5)
Dividends received from associates	972.4	913.1
Dividends received from investments	135.4	135.7
Dividends paid to shareholders	(152.3)	(152.3)
Dividends paid to minority shareholders	<u>(85.5)</u>	<u>(75.9)</u>
Net cash outflow from returns on investments and servicing of finance	(413.6)	(304.8)
Taxation		
Hong Kong profits tax paid	(7.5)	(44.3)
Tax Reserve Certificates refunded / (purchased)	60.5	(41.3)
Overseas tax paid	<u>(4.0)</u>	<u>(3.8)</u>
Net tax refunded/(paid)	49.0	(89.4)
Investing activities		
Purchase of subsidiaries (Note b)	(6.8)	-
Purchase of shares in existing subsidiaries	(11.6)	(421.3)
Purchase of shares in associates	(73.4)	(1,460.5)
Purchase of non-trading securities	(2,250.7)	(122.5)
Purchase of fixed assets	(50.5)	(28.8)
Disposal of subsidiaries (Note c)	-	2,323.4
Proceeds from disposal of associates	-	205.7
Proceeds from disposal of non-trading securities	3,083.0	966.2
Proceeds from disposal of unlisted investments	19.3	-
Proceeds from disposal of fixed assets	20.5	0.1
(Decrease)/increase in net loans and advances from associates	(86.8)	2,432.3
Decrease in short-term bank deposits	<u>-</u>	<u>250.0</u>
Net cash inflow from investing activities	<u>643.0</u>	<u>4,144.6</u>
Net cash inflow before financing	385.8	509.6

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2001

	2001 HK\$ Million	2000 HK\$ Million
Financing (Note d)		
Issue of ordinary shares	0.5	3.7
Net drawdown of long-term loans	3,822.9	2,803.2
Net repayment of short-term loans	<u>(3,351.8)</u>	<u>(1,380.4)</u>
Net cash inflow from financing	<u>471.6</u>	<u>1,426.5</u>
Increase in cash and cash equivalents	857.4	1,936.1
Effect of foreign exchange rate changes	(68.0)	17.5
Cash and cash equivalents at 1 April	<u>250.3</u>	<u>(1,703.3)</u>
Cash and cash equivalents at 31 March	<u><u>1,039.7</u></u>	<u><u>250.3</u></u>
Analysis of the balances of cash and cash equivalents at 31 March		
Bank balances and deposits maturing within three months	1,299.1	1,430.0
Bank loans and overdrafts due within three months	<u>(259.4)</u>	<u>(1,179.7)</u>
	<u><u>1,039.7</u></u>	<u><u>250.3</u></u>

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2001

NOTES TO CONSOLIDATED CASH FLOW STATEMENT

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

	2001 HK\$ Million	2000 HK\$ Million
Profit before taxation	815.0	1,668.8
Share of profits less losses of associates	(1,580.4)	(1,882.2)
Interest income	(21.5)	(112.2)
Interest expense	843.5	869.2
Dividend income from investments	(141.2)	(139.7)
Depreciation	56.2	34.3
Provision for impairment in value of properties	1,221.2	998.8
Net profit on disposal of non-trading securities	(231.5)	(154.3)
Net provision for non-trading securities	16.6	-
Net other provision (released)/charged	(84.0)	44.4
Deferred profits realised	(56.2)	(71.8)
Profits on sale of unlisted investments	(18.6)	-
Loss on disposal of fixed assets	0.1	14.5
Profit on disposal of subsidiaries	-	(78.3)
Profit on disposal of interest in associates	-	(108.7)
Exchange differences	(184.5)	39.5
Decrease in deferred debtors	33.6	51.0
Decrease in other deferred assets	-	70.1
Increase in properties under development	(1,721.0)	(6,053.5)
Decrease in properties held for sale	108.1	152.0
Decrease in inventories	30.2	32.5
(Increase)/decrease in debtors and prepayments	(50.6)	192.4
Increase in deposits from sale of properties	998.8	1,112.8
Increase in creditors and accruals	73.6	79.6
	107.4	(3,240.8)
Net cash inflow/(outflow) from operating activities	107.4	(3,240.8)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2001

b) Purchase of subsidiaries

	2001 HK\$ Million	2000 HK\$ Million
Net assets acquired :		
Fixed assets	96.2	-
Current assets	234.1	-
Current liabilities	(119.2)	-
Minority interests	(200.0)	-
	11.1	-
Reserves arising on consolidation	(4.3)	-
	6.8	-
Satisfied by:		
Cash consideration paid	212.2	-
Analysis of the net outflow of cash and cash equivalents in respect of the purchase of subsidiaries:		
Cash consideration paid	212.2	-
Bank balances and deposits acquired	(249.4)	-
Bank loans and overdrafts acquired	44.0	-
Net outflow of cash and cash equivalents in respect of the purchase of subsidiaries	6.8	-

c) Disposal of subsidiaries

	2001 HK\$ Million	2000 HK\$ Million
Net assets disposal of :		
Fixed assets	-	3,100.0
Deferred debtors	-	208.2
Current assets	-	351.4
Current liabilities	-	(336.5)
Loan from an associate	-	(1,108.6)
Minority interests	-	(6.1)
Deferred taxation	-	(9.0)
Deferred profits	-	(15.3)
	-	2,184.1
Profit recognised	-	78.3
Unrealised profit	-	62.6
	-	2,325.0
Satisfied by:		
Cash consideration received	-	2,325.0
Analysis of the net inflow of cash and cash equivalents in respect of the disposal of subsidiaries:		
Cash consideration received	-	2,325.0
Bank balances and deposits disposed	-	(1.6)
Net inflow of cash and cash equivalents in respect of the disposal of subsidiaries	-	2,323.4

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2001

d) Analysis of changes in financing

	Share capital and share premium HK\$ Million	Long-term loans HK\$ Million	Short-term loans HK\$ Million	Restated Minority interests HK\$ Million
Balance at 1 April 1999	2,920.3	12,701.4	2,170.6	6,592.4
Issue of ordinary shares	3.7	-	-	-
Cash inflow/(outflow) related to financing	-	2,803.2	(1,380.4)	-
Dividends paid to minority shareholders	-	-	-	(75.9)
Purchase of minority interests	-	-	-	(538.3)
Disposal of subsidiaries (Note c)	-	-	-	(6.1)
Minority interests' share of reserves	-	-	-	221.5
Exchange differences	-	37.2	-	24.0
Reclassification	-	(2,836.9)	2,836.9	-
Balance at 31 March 2000 and 1 April 2000	2,924.0	12,704.9	3,627.1	6,217.6
Issue of ordinary shares	0.5	-	-	-
Cash inflow/(outflow) related to financing	-	3,822.9	(3,351.8)	-
Dividends paid to minority shareholders	-	-	-	(85.5)
Purchase of subsidiaries (Note b)	-	-	-	200.0
Increase in interest in a subsidiary	-	-	-	(15.2)
Minority interests' share of reserves	-	-	-	(100.9)
Exchange differences	-	(98.9)	-	(102.0)
Reclassification	-	(4,030.0)	4,030.0	-
Balance at 31 March 2001	2,924.5	12,398.9	4,305.3	6,114.0