

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2001
(Expressed in Hong Kong dollars)

	Note	2001		2000	
		\$Million	\$Million	\$Million	\$Million
Net cash (outflow)/inflow from operating activities	(a)		(2,845.9)		994.7
Returns on investments and servicing of finance					
Interest received		236.5		379.9	
Interest and other ancillary borrowing costs paid		(486.0)		(416.3)	
Finance lease charges paid		(62.9)		(64.6)	
Dividends received from jointly controlled entities		28.5		26.0	
Preference dividend paid		(48.2)		(48.1)	
Ordinary dividends paid		(1,069.7)		(868.2)	
Net cash outflow from returns on investments and servicing of finance			(1,401.8)		(991.3)
Taxation					
Hong Kong profits tax paid			(568.8)		(244.9)
Investing activities					
Purchase of fixed assets		(998.0)		(685.2)	
Disposal of fixed assets		750.2		13.4	
Purchase of subsidiaries	(b)	(125.0)		—	
Advances to jointly controlled entities		(51.3)		(265.3)	
Repayment of advances from unlisted investments		2.0		2.3	
Net cash outflow from investing activities			(422.1)		(934.8)
Net cash outflow before financing carried forward			(5,238.6)		(1,176.3)

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	Note	2001		2000	
		\$Million	\$Million	\$Million	\$Million
Net cash outflow before financing brought forward			(5,238.6)		(1,176.3)
Financing					
New bank loans		13,122.0		—	
Repayment of bank loans		(9,181.5)		—	
Contributions from minority shareholders		211.9		49.7	
Capital element of finance lease		(27.7)		(22.6)	
Repurchase of ordinary shares		—		(15.3)	
Issue of floating rate notes		—		540.0	
Net cash inflow from financing	(c)		4,124.7		551.8
Decrease in cash and cash equivalents			(1,113.9)		(624.5)
Cash and cash equivalents at 1 July			4,836.8		5,461.3
Cash and cash equivalents at 30 June	(d)		3,722.9		4,836.8

Notes to the Consolidated Cash Flow Statement

(Expressed in Hong Kong dollars)

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

	2001	2000
	\$Million	\$Million
Operating profit	1,651.6	1,398.1
Interest income	(225.2)	(375.7)
Finance lease charges	62.9	64.6
Interest and other ancillary borrowing costs	203.3	289.9
Depreciation	28.5	28.7
Profit on disposal of investment properties	(320.2)	(8.1)
Increase in properties under development	(3,388.7)	(1,244.1)
Decrease in trade and other receivables	14.0	312.7
(Decrease)/Increase in land premium payable	(1,021.0)	1,021.0
Increase/(Decrease) in creditors and accrued expenses	79.5	(2.4)
Increase/(Decrease) in deposits received	11.8	(0.8)
Increase/(Decrease) in amounts due to fellow subsidiaries	60.0	(499.9)
Exchange difference	(2.4)	10.7
Net cash (outflow)/inflow from operating activities	(2,845.9)	994.7

(b) Purchase of subsidiaries

	2001	2000
	\$Million	\$Million
Net assets acquired		
Fixed assets	125.0	—
Satisfied by		
Cash	125.0	—

Notes to the Consolidated Cash Flow Statement *(continued)**(Expressed in Hong Kong dollars)*

(c) Analysis of changes in financing during the year

	Share capital (including premium)	Minority interests	Bank loans	Floating rate notes	Finance lease obligations	Retained profits
	\$Million	\$Million	\$Million	\$Million	\$Million	\$Million
Balance at 1 July 1999	12,201.8	268.5	5,010.0	—	932.9	6,410.4
Net cash flow from financing	—	49.7	—	540.0	(22.6)	(15.3)
Repurchase of ordinary shares	(2.9)	—	—	—	—	—
Profit for the year	—	—	—	—	—	177.1
Balance at 30 June 2000	12,198.9	318.2	5,010.0	540.0	910.3	6,572.2
Net cash flow from financing	—	211.9	3,940.5	—	(27.7)	—
Share of revaluation deficit	—	(143.2)	—	—	—	—
Profit for the year	—	—	—	—	—	227.3
Balance at 30 June 2001	12,198.9	386.9	8,950.5	540.0	882.6	6,799.5

(d) Analysis of the balances of cash and cash equivalents as shown in the consolidated balance sheet

	2001	2000
	\$Million	\$Million
Cash and deposits with banks maturing within three months of the balance sheet date	3,724.8	4,854.1
Bank overdrafts repayable within three months from the date of advance	(1.9)	(17.3)
	3,722.9	4,836.8