

Consolidated Cash Flow Statement

For the year ended December 31, 2001
(Amounts expressed in millions of Hong Kong dollars)

	Note	2001 HK\$ million	2000 HK\$ million
NET CASH INFLOW FROM OPERATING ACTIVITIES	27(a)	6,714	2,838
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest paid		(2,614)	(2,216)
Interest received		549	1,070
Finance charges paid		-	(1,159)
Dividends received		8	12,005
Dividends paid to minority shareholders		-	(44)
NET CASH (OUTFLOW)/INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		(2,057)	9,656
TAXATION			
Hong Kong profits tax paid		(1,296)	(3)
Overseas tax paid		(28)	(3)
TAX PAID		(1,324)	(6)
INVESTING ACTIVITIES			
Proceeds from disposal of fixed assets and other investments		203	678
Proceeds from partial disposal of a jointly controlled company		-	19
Proceeds from the formation of Reach and the disposal of RWC		21,696	-
Purchase of fixed assets		(2,415)	(1,951)
Purchase of intangible assets		-	(100)
Decrease/(Increase) in other non-current assets		15	(19)
Acquisition of subsidiaries (net of cash and cash equivalents acquired)	27(b)	(66)	(85,311)
Disposals of subsidiaries (net of cash and cash equivalents disposed of)		-	41
Decrease in short-term bank deposits (non-cash equivalents portion)		1	593
Increase in properties held for/under development		-	(532)
Decrease in restricted cash		-	669
Purchase of investments, investments in jointly controlled companies and associates		(365)	(4,037)
Proceeds from disposal of investments, investments in jointly controlled companies and associates		377	-
Acquisition of additional interests in subsidiaries		(398)	-
Purchase of other investments		(29)	-
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES		19,019	(89,950)
NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING ACTIVITIES		22,352	(77,462)

CONSOLIDATED
CASH FLOW STATEMENT

	Note	2001 HK\$ million	2000 HK\$ million
FINANCING			
Proceeds from issuance of shares and exercise of options, net of issuing expenses		8	11,615
Proceeds from rights issue, net of issuing expenses		–	4,101
Proceeds from issuance of convertible bonds		5,850	8,580
Expenses on issuance of convertible bonds		–	(148)
New loans raised:			
– Drawdown of loan for acquisition of HKT (“Bridge Loan”) (note 1)		–	93,583
– Term Loan, net of issuing expenses		36,241	–
– Notes, net of issuing expenses		9,636	9,317
Decrease in long-term liabilities		(47)	–
Repayment of Bridge Loan from			
– a portion of the net proceeds from rights issue		–	(2,051)
– net proceeds from issuance of convertible bonds		(5,850)	(8,432)
– internal resources and a portion of Term Loan		(32,160)	(23,397)
– proceeds from the formation of Reach and the disposal of RWC		(21,696)	–
Repayment of Term Loan		(14,114)	–
Repayment of other loans		(5,012)	(6,003)
Increase in contributions from minority shareholders of subsidiaries		50	136
Increase in restricted cash	32	(1,405)	–
NET CASH (OUTFLOW)/INFLOW FROM FINANCING		(28,499)	87,301
(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(6,147)	9,839
Exchange realignment		(115)	(55)
CASH AND CASH EQUIVALENTS			
Beginning of year		13,705	3,921
End of year	27(d)	7,443	13,705