

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 March 2002

	2002 HK\$ Million	2001 HK\$ Million
Net cash inflow from operating activities (<i>Note a</i>)	2,435.7	526.2
Returns on investments and servicing of finance		
Interest received	147.7	198.7
Interest paid	(141.0)	(284.2)
Dividends received from listed securities	186.6	176.2
Dividends received from associates	9.6	16.2
Dividends paid to shareholders	(144.9)	(144.9)
Dividends paid to minority shareholders	(47.4)	(48.1)
Net cash inflow/(outflow) from returns on investments and servicing of finance	10.6	(86.1)
Taxation		
Hong Kong profits tax paid	(12.4)	(5.3)
Tax Reserve Certificate refunded	–	60.5
Overseas profits tax paid	(0.5)	(3.4)
Tax (paid)/refunded	(12.9)	51.8
Investing activities		
Proceeds from disposal of non-trading securities	398.5	1,296.7
Proceeds from disposal of fixed assets	2.8	–
Acquisition of associates	–	(62.6)
Increase in interest in a subsidiary	(14.7)	(11.6)
Purchase of non-trading securities	(757.8)	(951.6)
Purchase of fixed assets	(2.2)	(15.6)
Decrease/(increase) in net amount due from associates	279.8	(627.0)
Net cash outflow from investing activities	(93.6)	(371.7)
Net cash inflow before financing	2,339.8	120.2
Financing (<i>Note b</i>)		
Net (repayment)/drawdown of long-term bank loans	(127.0)	2,022.8
Net repayment of short-term bank loans	(30.0)	(1,647.8)
Net cash (outflow)/inflow from financing	(157.0)	375.0
Increase in cash and cash equivalents	2,182.8	495.2
Cash and cash equivalents at 1 April	611.2	184.0
Effect of foreign exchange rate changes	(16.6)	(68.0)
Cash and cash equivalents at 31 March	2,777.4	611.2
Analysis of the balances of cash and cash equivalents at 31 March		
Bank balances and deposits maturing within three months	2,980.3	868.5
Bank loans and overdrafts due within three months	(202.9)	(257.3)
	2,777.4	611.2

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

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

	2002 HK\$ Million	2001 HK\$ Million
Profit before taxation	460.3	478.3
Share of profits less losses of associates	353.9	202.4
Interest income	(147.9)	(179.7)
Interest expenses	141.4	274.7
Dividends received from listed securities	(191.6)	(195.0)
Depreciation	1.0	1.3
Provision for impairment in value of properties	373.7	338.7
Net loss/(profit) on disposal of non-trading securities	32.4	(181.2)
Profit on disposal of fixed assets	(2.1)	–
Net provisions for non-trading securities written back	–	(11.0)
Net release of other provisions	–	(84.0)
Exchange differences	(65.1)	(184.5)
Decrease in deferred debtors	13.5	33.6
Decrease/(increase) in properties under development for sale	5,696.5	(916.1)
Decrease in properties held for sale	220.3	108.1
Decrease/ (increase) in trade and other receivables	120.6	(71.1)
Decrease in trade and other payables	(62.4)	(74.6)
(Decrease)/increase in deposits from sale of properties	(4,503.8)	998.8
Decrease in net amounts due to fellow subsidiaries	(5.0)	(12.5)
Net cash inflow from operating activities	<u>2,435.7</u>	<u>526.2</u>

(b) Analysis of changes in financing

	Long-term bank loans HK\$ Million	Short-term bank loans HK\$ Million	Minority interests HK\$ Million
Balance at 1 April 2000	1,880.0	1,647.8	3,002.8
Cash inflow/(outflow) relating to financing	2,022.8	(1,647.8)	–
Increase in investment in a subsidiary	–	–	(15.2)
Exchange differences	(98.9)	–	(58.3)
Dividends paid to minority shareholders	–	–	(48.1)
Minority interests' share of reserves	–	–	62.6
Reclassification	(30.0)	30.0	–
Balance at 31 March 2001 and 1 April 2001	<u>3,773.9</u>	<u>30.0</u>	<u>2,943.8</u>
Cash outflow relating to financing	(127.0)	(30.0)	–
Increase in investment in a subsidiary	–	–	(18.9)
Exchange differences	(19.0)	–	(22.2)
Dividend paid to minority shareholders	–	–	(47.4)
Minority interests' share of reserves	–	–	(9.3)
Reclassification	(298.9)	298.9	–
Balance at 31 March 2002	<u>3,329.0</u>	<u>298.9</u>	<u>2,846.0</u>