

Consolidated Cash Flow Statement for the Year Ended 30th June, 2002

(Expressed in Hong Kong dollars)

	NOTE	2002		2001	
		\$000's	\$000's	\$000's	\$000's
NET CASH INFLOW FROM OPERATING ACTIVITIES	(a)		39,141		39,819
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE					
Dividends received from a jointly controlled entity		36,000		-	
Dividends received from other investments		87		106	
Interest received		55,597		131,613	
Unclaimed dividends forfeited		223		332	
Dividends paid		(132,831)		(193,577)	
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			(40,924)		(61,526)
TAXATION					
Hong Kong profits tax paid		(372)		(5,781)	
Overseas tax paid		(1,502)		(514)	
TAXATION PAID			(1,874)		(6,295)
INVESTING ACTIVITIES					
Purchase of fixed assets		(2,345)		(231,107)	
Purchase of other investments		(3,508)		-	
Sales of fixed assets		75		3,590	
Sales of other investments		1,715		-	
Repayment of loans by jointly controlled entities		345,942		82,209	
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES			341,879		(145,308)
NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING			338,222		(173,310)
FINANCING					
Nominal value of shares repurchased		(324)		(731)	
Premium paid on repurchase of shares		(10,541)		(18,127)	
NET CASH OUTFLOW FROM FINANCING			(10,865)		(18,858)
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			327,357		(192,168)
EFFECT OF FOREIGN EXCHANGE RATES			2,830		(4,033)
CASH AND CASH EQUIVALENTS AT 1ST JULY			2,229,278		2,425,479
CASH AND CASH EQUIVALENTS AT 30TH JUNE	(b)		2,559,465		2,229,278

Consolidated Cash Flow Statement for the Year Ended 30th June, 2002 (Continued)

(Expressed in Hong Kong dollars)

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

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

	<u>2002</u>	<u>2001</u>
	\$000's	\$000's
Operating profit	104,556	166,593
Net unrealised gains on other investments at fair value	(536)	(222)
Interest income	(54,915)	(128,582)
Dividends from other investments	(87)	(106)
Depreciation	1,181	1,331
Gain on disposal of fixed assets	-	(597)
Gain on sale of other investments	(229)	-
(Increase)/decrease in debtors, deposits and prepayments	(174)	356
Increase in creditors and accruals	6,875	11,313
Write back of provision for third party claims	(9,023)	(1,128)
Payment made for third party claims	(5,677)	(13,172)
Foreign exchange	(2,830)	4,033
	<u>39,141</u>	<u>39,819</u>

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

	<u>2002</u>	<u>2001</u>
	\$000's	\$000's
Deposits with banks maturing within three months of the balance sheet date	2,548,998	2,219,709
Cash at banks and in hand	10,467	9,569
	<u>2,559,465</u>	<u>2,229,278</u>