

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 March 2003

	2003	(Restated)
	HK\$ Million	2002 HK\$ Million
Cash generated from operations (Note a)	3,483.4	2,855.3
Interest received	79.7	69.2
Interest paid	(381.1)	(740.1)
Dividends received from associates	983.4	975.6
Dividends received from investments	87.7	130.7
Hong Kong profits tax paid	(18.9)	(18.2)
Overseas tax paid	(820.8)	(1.3)
Net cash inflow from operating activities	3,413.4	3,271.2
Investing activities		
Increase in interest in a subsidiary	(951.9)	(14.7)
Purchase of non-trading securities	(207.9)	(2,212.4)
Purchase of fixed assets	(49.9)	(65.2)
Disposal of subsidiaries (Note b)	220.6	753.5
Proceeds from disposal of associates	10.8	–
Proceeds from disposal of non-trading securities	2,822.1	1,259.4
Proceeds from disposal of fixed assets	11.4	7.8
(Increase)/decrease in deferred debtors	(341.2)	13.5
Decrease in net advances from associates	(411.4)	(293.2)
Net cash inflow/(outflow) from investing activities	1,102.6	(551.3)
Financing activities		
Issue of ordinary shares	0.6	4.4
Drawdown of long-term bank loans	6,648.4	3,844.9
Repayment of long-term bank loans	(5,969.4)	(285.0)
Net repayment of short-term bank loans	(5,351.9)	(3,878.4)
Dividends paid to shareholders	(152.4)	(152.3)
Dividends paid to minority shareholders	(86.3)	(84.8)
Net cash outflow from financing activities	(4,911.0)	(551.2)
Net (decrease)/increase in cash and cash equivalents	(395.0)	2,168.7
Cash and cash equivalents at 1 April	3,451.1	1,299.1
Effect of foreign exchange rate	126.6	(16.7)
Cash and cash equivalents at 31 March	3,182.7	3,451.1
Analysis of the balances of cash and cash equivalents		
Deposits and cash	3,182.7	3,451.1

NOTES TO CONSOLIDATED CASH FLOW STATEMENT
a) Reconciliation of (loss)/profit before taxation to cash generated from operations

	2003	2002
	HK\$ Million	HK\$ Million
(Loss)/profit before taxation	(191.3)	992.3
Adjustments for:		
Share of profits less losses of associates	(1,671.0)	(1,404.1)
Interest income	(67.6)	(68.9)
Interest expense	231.8	463.2
Dividend income from investments	(59.6)	(152.2)
Depreciation	60.9	70.1
Provision for properties	2,428.5	1,250.5
Net loss on disposal of non-trading securities	192.6	35.4
Deferred profits realised	(30.8)	(100.1)
(Profit)/loss on disposal of fixed assets	(4.6)	11.9
Gain on disposal of a discontinued operation	(31.5)	–
Profit on disposal of subsidiaries	–	(17.5)
Exchange differences	66.0	(65.5)
Operating profit before working capital changes	923.4	1,015.1
(Increase)/decrease in properties under development for sales	(2,338.8)	4,067.2
Decrease in properties held for sale	7,117.2	220.3
Decrease in inventories	7.3	24.7
Increase in short-term investments	(102.0)	–
Increase in trade and other receivables	(1,167.6)	(1,118.8)
Decrease in deposits from sale of properties	(1,527.9)	(1,557.9)
Increase in trade and other payables	571.8	204.7
Cash generated from operations	3,483.4	2,855.3

b) Disposal of subsidiaries

	2003	2002
	HK\$ Million	HK\$ Million
Net assets disposed of:		
Non-current assets	178.6	3.4
Current assets	853.0	717.1
Current liabilities	(309.3)	(0.6)
Minority interests	(143.3)	–
Net assets disposed of	579.0	719.9
Profit recognised	–	17.5
Unrealised profit deferred	–	16.1
Satisfied in cash	579.0	753.5
Cash of subsidiaries disposed of	(358.4)	–
Net cash inflow in respect of the disposal of subsidiaries	220.6	753.5