

# Consolidated Cash Flow Statement

For the year ended 30th June, 2003

	2002 HK\$'000	2003 HK\$'000
<b>OPERATING ACTIVITIES</b>		
Profit from operations	395,657	494,674
Adjustments for:		
Interest income from		
– jointly controlled entities	(202,157)	(58,409)
– defeasance and other bank deposits, loans and receivables	(54,018)	(95,592)
Dividends from unlisted investments	(467)	(962)
Depreciation of property, plant and equipment	7,636	8,912
Amortisation of cost of investments in jointly controlled entities	40,504	77,271
Impairment loss on a power plant project written back	–	(366,000)
Impairment loss on investment securities recognised	–	7,540
Unrealised holding loss on other investments	–	1,693
Gain on disposal of property, plant and equipment	(495)	(6,146)
(Gain) loss on repurchase of notes	(620)	3,509
Operating cash flows before movements in working capital	186,040	66,490
Decrease in inventories	621	1,108
Decrease in trade and other receivables, and deposits and prepayments	15,261	11,979
Increase (decrease) in trade and other payables, and rental and other deposits	18,260	(45,247)
(Increase) decrease in amounts due from customers for contract work	(7,407)	11,604
Decrease in amounts due to customers for contract work	(19,154)	(1,256)
Cash generated from operations	193,621	44,678
Hong Kong profits tax paid	(1,072)	(2,516)
Taxation elsewhere paid	(27,005)	(14,117)
Hong Kong profits tax refunded	2,817	116
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>168,361</b>	<b>28,161</b>
<b>INVESTING ACTIVITIES</b>		
Interest received	6,789	52,253
Dividends received	21,397	257,360
Additions to investment properties	(4,379)	(4,149)
Additions to property, plant and equipment	(9,766)	(23,056)
Interests in associates	(874)	572
Advances from associates	8,149	2,386
Investments in and loans to jointly controlled entities	5,073	(268,804)
Repayments of loans by jointly controlled entities	6,469,185	553,387
Increase in other projects and investments	(42,096)	(19,748)
Repayment from other projects and investments	–	281,339
Acquisition of properties for or under development	(126,322)	(127,164)
Net proceeds on disposal of		
– property, plant and equipment	2,203	13,045
– interest in a jointly controlled entity	96,226	–
(Increase) decrease in defeasance deposits	(5,086,602)	3,349,629
Decrease in bank deposits pledged	–	2,244
(Increase) decrease in long-term receivables	(92,099)	464,282
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>1,246,884</b>	<b>4,533,576</b>

# Consolidated Cash Flow Statement *(continued)*

For the year ended 30th June, 2003

	2002 HK\$'000	2003 HK\$'000
<b>FINANCING ACTIVITIES</b>		
Interest paid	(575,764)	<b>(387,921)</b>
Loan arrangement fees and bank charges paid	(13,478)	<b>(8,621)</b>
Dividends paid to		
– shareholders	(113,878)	<b>(385,432)</b>
– minority shareholders of subsidiaries	(762)	<b>(250)</b>
Capital contribution from minority shareholders	–	<b>5,764</b>
New bank and other loans	962,073	<b>363,558</b>
Repayment of bank and other loans	(1,621,614)	<b>(516,704)</b>
Repurchase of notes	(77,380)	<b>(42,499)</b>
Redemption of notes payable	–	<b>(2,902,341)</b>
Early redemption premium paid	–	<b>(148,745)</b>
Warranties paid	(234,000)	–
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(1,674,803)</b>	<b>(4,023,191)</b>
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(259,558)</b>	<b>538,546</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	<b>393,794</b>	<b>145,149</b>
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>	<b>10,913</b>	<b>10,909</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR, Representing Bank Balances and Cash</b>	<b>145,149</b>	<b>694,604</b>