

# CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2003

	Note	GROUP	
		2003 US\$'000	2002 US\$'000
<b>OPERATING ACTIVITIES</b>			
Cash generated from operations	(a)	266,867	365,453
Interest paid		(89,266)	(90,666)
Interest received		2,608	3,286
Income tax paid		(1,527)	(2,204)
Net cash inflow from operating activities		<u>178,682</u>	<u>275,869</u>
<b>INVESTING ACTIVITIES</b>			
Purchase of fixed assets		(327,673)	(420,594)
Proceeds from sale of fixed assets		250	101
Purchase of other assets		(9,686)	—
Net cash outflow from investing activities		<u>(337,109)</u>	<u>(420,493)</u>
<b>FINANCING ACTIVITIES</b>			
Proceeds from long-term bank loans	(b)	374,957	763,461
Principal repayments of long-term bank loans		(535,189)	(544,551)
Proceeds from issuance of ordinary shares, net of issuance cost of approximately US\$3.0 million in 2002		—	77,329
Proceeds from rights issue, net of issuance cost of approximately US\$1.3 million in 2003 and US\$1.5 million in 2002		99,004	150,313
Proceeds from issuance of ordinary shares pursuant to the Pre-listing Employee Share Option Scheme		193	858
Proceeds from issuance of convertible bonds		180,000	—
Expenses in connection with the issue of convertible bonds		(3,723)	—
Payment of loan arrangement fees		(17,703)	(11,275)
Restricted cash, net		20,038	(48,871)
Others, net		(594)	(824)
Net cash inflow from financing activities		<u>116,983</u>	<u>386,440</u>
Effect of exchange rate changes on cash and cash equivalents		<u>1,519</u>	<u>3,567</u>
Net increase/(decrease) in cash and cash equivalents		<u>(39,925)</u>	<u>245,383</u>
Cash and cash equivalents at beginning of year		<u>416,958</u>	<u>171,575</u>
Cash and cash equivalents at end of year		<u><u>377,033</u></u>	<u><u>416,958</u></u>

Notes to Consolidated Cash Flow Statement

(a) Cash generated from operations

	<b>GROUP</b>	
	<b>2003</b> US\$'000	2002 US\$'000
<b>OPERATING ACTIVITIES</b>		
Profit/(Loss) before taxation	(122,810)	52,406
Depreciation and amortisation		
- relating to operating function	186,689	163,756
- relating to selling, general and administrative function	10,660	12,410
	197,349	176,166
Interest expense, net of capitalised interest	93,804	99,326
Interest income	(2,613)	(3,325)
Impairment loss	99,545	—
Loss on extinguishment of debts	—	5,927
Others	2,485	3,054
	267,760	333,554
Decrease/(increase) in :		
Trade receivables	(2,362)	7,938
Consumable inventories	336	(7,431)
Prepaid expenses and others	4,651	(81)
Other assets	(347)	(3,445)
Increase/(decrease) in:		
Trade creditors	(7,712)	(1,057)
Provisions, accruals and other liabilities	4,179	914
Amounts due to related companies	(24)	37
Advance ticket sales	386	35,024
	266,867	365,453

(b) Analysis of changes in financing

	<b>GROUP</b>		
	<b>Share capital including premium</b>	<b>Long-term bank loans</b>	<b>Convertible bonds</b>
	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
At 1 January 2002	1,469,518	2,215,115	—
Shares issued for cash consideration	228,500	—	—
Proceeds from long-term bank loans	—	763,461	—
Repayment of long-term bank loans	—	(544,551)	—
At 31 December 2002	1,698,018	2,434,025	—
Shares issued for cash consideration	99,197	—	—
Proceeds from long-term bank loans	—	374,957	—
Repayment of long-term bank loans	—	(535,189)	—
Proceeds from issuance of convertible bonds	—	—	180,000
<b>At 31 December 2003</b>	<b>1,797,215</b>	<b>2,273,793</b>	<b>180,000</b>