

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st December, 2003

	2003 HK\$ Million	2002 HK\$ Million
Operating activities		
Operating profit	111.5	130.2
Depreciation	12.4	13.3
Dividend income from investment securities	(22.8)	(29.9)
Interest income	(6.8)	(9.0)
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Operating profit before changes in working capital	94.3	104.6
Increase in deferred income	13.3	30.8
Decrease in employee benefits	0.7	0.4
Decrease in inventories	0.2	0.2
(Increase)/decrease in debtors	(1.5)	1.4
Decrease in creditors	(5.7)	(5.6)
(Decrease)/increase in amounts due to fellow subsidiaries (net)	(4.9)	6.5
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Cash generated from operations	96.4	138.3
Interest received	6.8	9.1
Dividend received from associates	1.8	0.4
Dividend income from investment securities	22.8	29.9
Hong Kong profits tax paid	(18.9)	(21.7)
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Net cash inflow from operating activities	108.9	156.0
Investing activities		
Payments for the purchase of fixed assets	(59.9)	(67.5)
Net advances from/(to) associates	614.4	(96.4)
Payments for the purchase of investment securities	(54.3)	(305.6)
Proceeds from the sale of investment securities	149.1	472.5
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Net cash inflow from investing activities	649.3	3.0

CONSOLIDATED CASH FLOW STATEMENT (cont'd)

For the year ended 31st December, 2003

	2003 HK\$ Million	2002 HK\$ Million
Financing activities		
Repayment of short term bank loans	–	(400.9)
Dividends paid	<u>(53.6)</u>	<u>(53.6)</u>
Net cash outflow from financing activities	<u>(53.6)</u>	<u>(454.5)</u>
Net increase/(decrease) in cash and cash equivalents	704.6	(295.5)
Cash and cash equivalents at 1st January	<u>572.8</u>	<u>868.3</u>
Cash and cash equivalents at 31st December	<u>1,277.4</u>	<u>572.8</u>
Analysis of the balance of cash and cash equivalents		
Deposits and cash	<u>1,277.4</u>	<u>572.8</u>