

CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 December 2003

Notes	Year ended 31 December 2003 HK\$'000	Period from 1 April 2002 to 31 December 2002 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	364,210	241,636
Adjustments for:		
Finance costs	9	15,723
Share of profits and losses of jointly-controlled entities and associates	(45,666)	(25,720)
Interest income	6	(10,808)
Depreciation	6	79,654
Amortisation of permanent quota	6	1,640
Impairment of fixed assets	6	3,644
Impairment/(reversal of impairment) of interests in jointly-controlled entities	6	4,119
Provision/(reversal of provision) for inventories obsolescence	6	(2,853)
Provision for a loan to an associate	6	-
Loss on disposal of fixed assets	6	8,233
Gain on disposal of permanent quota	6	(6,218)
Loss on disposal of a subsidiary		1,541
Loss on disposal of a jointly-controlled entity	6	-
Net revaluation deficit on land and buildings	6	2,331
Revaluation deficit on an investment property	6	200
Effect of foreign exchange rate changes, net	20,373	13,452
Operating profit before working capital changes	473,406	326,574
Decrease/(increase) in amounts due from jointly-controlled entities	1,227	(1,717)
Increase/(decrease) in amounts due to jointly-controlled entities	3,531	(1,936)
Decrease/(increase) in amounts due from associates	(1,722)	509
Increase/(decrease) in amounts due to associates	(672)	13,700
Decrease/(increase) in inventories	11,326	(39,525)
Increase in trade and bills receivables	(18,831)	(150,611)
Decrease/(increase) in prepayments, deposits and other receivables	(3,294)	5,714
Increase in trade and bills payables	33,429	148,689
Increase in other payables and accruals	116,820	91,461
Cash generated from operations	615,220	392,858
Interest received	11,656	10,808
Interest paid	(17,952)	(15,511)
Interest element on finance lease rental payments	(321)	(212)
Dividend received from jointly-controlled entities	9,503	-
Dividend received from associates	14,674	13,113
Hong Kong profits tax refunded/(paid)	(21,012)	75
Overseas taxes paid	(5,128)	(2,775)
Net cash inflow from operating activities	606,640	398,356

CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)

Year ended 31 December 2003

	Notes	Year ended 31 December 2003 HK\$'000	Period from 1 April 2002 to 31 December 2002 HK\$'000
Net cash inflow from operating activities		606,640	398,356
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of fixed assets		(135,300)	(118,293)
Additions to permanent quota	19	(1,684)	(987)
Proceeds from disposal of fixed assets		4,686	3,891
Proceeds from disposal of permanent quota		2,466	6,218
Investment in jointly-controlled entities		(12,540)	-
Investment in associates		(1,015)	-
Disposal of a subsidiary	32(b)	-	17,839
Disposal of a jointly-controlled entity		2,801	-
Advance of a loan to an associate		(20,000)	-
Decrease in pledged bank deposits		4,489	-
Net cash outflow from investing activities		(156,097)	(91,332)
CASH FLOWS FROM FINANCING ACTIVITIES			
New bank loans		217,841	267,205
Repayment of bank loans		(252,863)	(348,138)
Capital element of finance lease rental payments		(1,726)	(807)
Capital contributed by a minority shareholder		94	200
Dividends paid		(102,060)	(102,060)
Dividends paid to minority shareholders		(71,080)	(97,808)
Increase in trust receipt loans		16,179	8,080
Net cash outflow from financing activities		(193,615)	(273,328)
NET INCREASE IN CASH AND CASH EQUIVALENTS			
		256,928	33,696
Cash and cash equivalents at beginning of year/period		848,991	813,773
Effect of foreign exchange rate changes, net		5,512	1,522
CASH AND CASH EQUIVALENTS AT END OF YEAR/PERIOD			
		1,111,431	848,991
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances		1,121,178	881,532
Bank overdrafts	24	(9,747)	(32,541)
		1,111,431	848,991