

Consolidated Cash Flow Statement

For the year ended 31 December 2003

	2003 HK\$'000	2002 HK\$'000
Profit from operations	1,065,424	1,159,122
Adjustments for:		
Dividend income from listed investments	(3,583)	(3,314)
Income from unlisted investments, other than infrastructure projects	(8,254)	(8,008)
Interest income	(48,241)	(50,846)
Rental income	(2,959)	(2,909)
Amortisation of goodwill	6,412	1,869
Allowance on amount due from a jointly controlled entity	67,337	12,987
Depreciation and amortisation of property, plant and equipment	109,071	105,947
Net unrealised holding (gain) loss on investments in securities	(167,528)	15,569
Gain on disposal of investments in securities	(78,548)	(28,711)
Loss (gain) on disposal of property, plant and equipment	6,266	(855)
Impairment loss recognised in respect of investments in infrastructure and other projects	3,231	3,231
Impairment loss recognised in respect of investments in securities	31,740	14,456
Operating cash flows before movements in working capital	980,368	1,218,538
Decrease (increase) in inventories	67,026	(21,627)
Increase in trade and other receivables	(4,573)	(50,587)
Decrease in trade and other payables	(9,324)	(9,848)
Cash generated from operations	1,033,497	1,136,476
PRC income tax paid	(86,362)	(70,359)
Hong Kong Profits Tax paid	(48,243)	(6,023)
Hong Kong Profits Tax refund	-	3,750
NET CASH FROM OPERATING ACTIVITIES	898,892	1,063,844

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	Notes	2003 HK\$'000	2002 HK\$'000
INVESTING ACTIVITIES			
Acquisition of subsidiaries (net of cash and cash equivalents acquired)	34	(1,897,295)	(41,301)
Purchase of investments in securities		(1,888,900)	(615,041)
Increase in bank deposits		(1,135,396)	(66,671)
Purchase of additional interest in subsidiaries		(500,491)	–
Capital contributions to associates		(497,336)	(393,271)
Capital contributions to jointly controlled entities		(321,018)	(166,924)
Purchase of property, plant and equipment		(139,008)	(134,623)
(Increase) decrease in deposits paid on acquisition of property, plant and equipment		(22,382)	10,184
Advance to an associate		(1,006)	(101,601)
Proceeds from disposal of investments in infrastructure projects		5,456,448	–
Proceeds from disposal of investments in securities		1,056,017	292,088
Repayment from an associate		102,604	–
Dividends received from associates		85,405	17,973
Decrease (increase) in placement of deposits with financial institutions		75,472	(214,953)
Interest received		48,241	50,563
Capital distributions from jointly controlled entities		42,070	–
Dividends received from jointly controlled entities		29,280	58,195
Proceeds from partial disposal of interest in a subsidiary		27,300	2,280
Government grants received		14,151	–
Proceeds from disposal of property, plant and equipment		12,576	4,170
Income received from unlisted investments, other than infrastructure projects		8,254	8,008
Proceeds from partial disposal of interest in an associate		7,475	–
Repayment from minority shareholders of subsidiaries		3,660	9,708
Dividends received from listed investments		3,583	3,314
Repayment from a jointly controlled entity		3,510	–
Rental income received		2,959	2,909
Disposal of subsidiaries (net of cash and cash equivalents disposed of)	35	1,353	–
Advances to jointly controlled entities		–	(26,334)
Advance to minority shareholders of a subsidiary		–	(8,703)
Capital receipts from infrastructure projects		–	125,617
Proceeds from disposal of interest in a jointly controlled entity		–	2,803
NET CASH FROM (USED IN) INVESTING ACTIVITIES		577,526	(1,181,610)

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FINANCING ACTIVITIES		
Dividends paid	(451,112)	(454,020)
Dividends paid to minority shareholders of subsidiaries	(102,942)	(87,739)
Interest paid on bank and other borrowings	(31,001)	(62,109)
Repayment of borrowings	(29,502)	(1,237,270)
Expenses incurred in connection with the issue of shares	(88)	(361)
Proceeds from issue of shares	99,696	442,975
Borrowings raised	8,915	1,644,608
Capital contributions by minority shareholders of subsidiaries	3,622	–
Repurchase of shares	–	(70,263)
NET CASH (USED IN) FROM FINANCING ACTIVITIES	(502,412)	175,821
INCREASE IN CASH AND CASH EQUIVALENTS	974,006	58,055
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	3,064,690	3,006,635
CASH AND CASH EQUIVALENTS AT END OF YEAR	4,038,696	3,064,690
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances and cash	5,313,041	3,202,532
Less: Bank deposits held for investment purpose	(1,274,345)	(137,842)
	4,038,696	3,064,690