

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st December, 2003

	Note	2003 HK\$'000	2002 HK\$'000
Cash flows from operating activities			
Cash from/(used in) operations	30(a)	850,280	(750,701)
Interest received		53,481	42,752
Dividend received from listed investments		4,745	181
Dividend received from an associate		7,379	–
Taxes paid:			
Hong Kong		(609)	(319)
Overseas		–	(10)
Net cash from/(used in) operating activities		915,276	(708,097)
Cash flows from investing activities			
Advances to banking operations	30(b)	–	(53,913)
Return of capital in an associate		25,478	–
Receipts on disposals of:			
Loans and advances	30(b)	–	183,970
Subsidiaries	30(c)	–	3,343,321
Payments to acquire:			
Fixed assets		(3,068)	(2,503)
Investment securities		(20,952)	(129,756)
Held-to-maturity securities		–	(354,372)
Associates		(24,154)	(8,900)
Increase in interest in subsidiaries		(2,067)	–
Advances to associates		(7)	–
Acquisition of subsidiaries, net of cash acquired	30(d)	–	(193,415)
Deposits refunded from/(paid for) long term investments		267	(74,342)
Net cash from/(used in) investing activities		(24,503)	2,710,090
Cash flows from financing activities			
Interest paid		(4,700)	(3,884)
Distributions paid		(60,607)	(2,020,548)
Drawdown of bank loans – Note (a)		142,000	30,000
Repayment of bank loans – Note (a)		(153,000)	(78,000)
Repurchase of shares		(2,965)	–
Issue of shares by subsidiaries to minority shareholders		–	4,039
Net cash used in financing activities		(79,272)	(2,068,393)

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	2003 <i>HK\$'000</i>	2002 <i>HK\$'000</i>
Net increase/(decrease) in cash and cash equivalents	811,501	(66,400)
Cash and cash equivalents at beginning of the year	525,228	591,800
Exchange realignments	(1,613)	(172)
Cash and cash equivalents at end of the year	1,335,116	525,228
Analysis of balances of cash and cash equivalents:		
Cash and bank balances – <i>Note (b)</i>	1,335,116	525,228

Note:

- (a) The amounts exclude bank loans drawn down by the Group for on-lending to its margin clients in respect of the securities broking businesses. All such bank loans were fully repaid during the year.
- (b) Reconciliation of cash and bank balances:

	2003 <i>HK\$'000</i>	2002 <i>HK\$'000</i>
Cash and bank balances with original maturity of three months or less	1,335,116	525,228
Placements with banks and other financial institutions with original maturity over three months	–	309,221
Total cash and bank balances at end of the year	1,335,116	834,449