

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2003

(Expressed in Hong Kong dollars)

		2003		2002
Note	\$'000	\$'000	\$'000	restated \$'000
Operating activities				
Profit from ordinary activities before taxation		384,235	384,973	
Adjustments for:				
Share of profits less losses of associates		(119,940)	(146,069)	
Amortisation of goodwill		235	284	
Recognition of negative goodwill		(352)	(350)	
Depreciation and amortisation		59,597	61,305	
Net gain on disposal of fixed assets		(1,386)	(3)	
Gain on disposal of investment properties		(14,624)	(48,658)	
Net realised gain on disposal of non-trading securities		–	(21,595)	
Impairment of fixed assets		3,487	–	
Interest income		(30,920)	(21,825)	
Finance costs		55,817	52,840	
Dividends from unlisted non-trading securities		(1,434)	(1,486)	
Write back of impairment loss on non-trading securities		(3,097)	(5,768)	
Foreign exchange gain		(53,885)	(25,014)	
		277,733	228,634	
Operating profit before changes in working capital		277,733	228,634	
(Increase)/decrease in trading securities		(32,257)	54,684	
Decrease in inventories		3,128	12,742	
Decrease in debtors, deposits and prepayments		20,784	15,105	
Decrease in creditors and accrued charges		(169)	(12,583)	
Increase in amounts due from fellow subsidiaries		(2,302)	(893)	
Decrease in amounts due to fellow subsidiaries		(2,009)	(2,091)	
(Increase)/decrease in amounts due from associates		(75)	1,018	
Increase in deposits pledged		(7,201)	(6,223)	
		257,632	290,393	
Cash generated from operations		257,632	290,393	
Tax paid				
Hong Kong Profits Tax paid		(17,167)	(18,940)	
Hong Kong Profits Tax refunded		–	76	
Overseas tax paid		(18,706)	(2,152)	
		(35,873)	(21,016)	
Net cash generated from operating activities carried forward		221,759	269,377	

CONSOLIDATED CASH FLOW STATEMENT

(Continued)

For the year ended 31 December 2003

(Expressed in Hong Kong dollars)

		2003		2002
	Note	\$'000	\$'000	restated \$'000
Net cash generated from operating activities brought forward			221,759	269,377
Investing activities				
Purchase of fixed assets		(25,275)		(14,897)
Disposal of fixed assets		255,272		359,349
Disposal of non-trading securities		–		34,084
Interest received		31,310		21,002
Dividends received from unlisted non-trading securities		1,434		1,486
		1,434		1,486
Net cash generated from investing activities			262,741	401,024
Financing activities				
Interest paid		(54,794)		(52,284)
Dividends paid		(115,177)		(85,644)
Capital element of finance lease paid		(564)		–
Repayment of bank loans		(177,557)		(206,195)
		(177,557)		(206,195)
Net cash used in financing activities			(348,092)	(344,123)
Net increase in cash and cash equivalents			136,408	326,278
Effect of foreign exchange rates			153,053	44,861
Cash and cash equivalents at 1 January			714,679	343,540
Cash and cash equivalents at 31 December	21		1,004,140	714,679

Included in the above amounts are the following net cash flows related to a discontinuing operation for the year ended 31 December 2003.

	2003 \$'000	2002 \$'000
Net cash used in operating activities	(2,412)	(19,529)
Net cash generated from investing activities	537	340
	(1,875)	(19,189)

The notes on pages 31 to 73 form part of these financial statements.