

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2004

	2004 HK\$'M	2003 HK\$'M
OPERATING ACTIVITIES		
Profit before taxation	335.4	212.0
Adjustments for:		
Interest income	(20.7)	(20.3)
Interest expenses	5.2	3.4
Share of profit of an associate	(1.6)	(3.3)
Depreciation and amortisation of property, plant and equipment	63.8	68.6
Amortisation of intangible assets	36.7	33.3
Amortisation of goodwill	1.0	0.1
Loss on disposal of property, plant and equipment	3.6	16.1
Deficit arising on revaluation of investment properties	-	0.2
Write-off of product development costs	3.6	6.9
Gain on deemed partial disposal of a subsidiary	(1.1)	-
Gain on disposal of an associate	(1.6)	-
Effect of foreign exchange rate changes on inter-company balances	(55.6)	(48.6)
Operating cash flows before movements in working capital	368.7	268.4
(Increase) decrease in inventories	(148.5)	0.7
Decrease (increase) in trade and other receivables	2.6	(22.4)
Increase in trade and other payables	111.0	42.4
(Decrease) increase in bills payables	(1.3)	3.7
Decrease in amount due to an associate	(0.1)	-
Cash from operations	332.4	292.8
Hong Kong Profits Tax paid	(28.0)	(19.7)
Tax paid in other jurisdictions	(5.2)	(5.4)
NET CASH FROM OPERATING ACTIVITIES	299.2	267.7
INVESTING ACTIVITIES		
Interest received	20.7	20.3
Dividend received from an associate	0.7	1.4
Purchase of property, plant and equipment	(46.3)	(44.3)
Proceeds from disposal of property, plant and equipment	1.7	2.7
Product development costs paid	(51.6)	(52.9)
Purchase of additional interests in a subsidiary	-	(103.1)
Repurchase by a subsidiary of its own shares	-	(4.6)
Proceeds from disposal of an associate	61.8	-
Increase in long-term bank deposits	(58.5)	(97.5)
NET CASH USED IN INVESTING ACTIVITIES	(71.5)	(278.0)

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2004

	2004 HK\$'M	2003 HK\$'M
FINANCING ACTIVITIES		
Interest paid	(5.2)	(3.4)
Dividends paid	(145.3)	(165.7)
Dividends paid to minority shareholders of subsidiaries	(39.1)	(41.5)
Proceeds from issue of shares	4.8	0.9
Capital contributed by minority shareholders of a subsidiary	9.0	0.3
Repayment of obligations under finance leases	(0.2)	(0.1)
Bank loans raised	452.7	196.9
Repayment of bank loans	(335.0)	(158.2)
NET CASH USED IN FINANCING ACTIVITIES	(58.3)	(170.8)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	169.4	(181.1)
CASH AND CASH EQUIVALENTS AT APRIL 1	353.4	527.8
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	8.0	6.7
CASH AND CASH EQUIVALENTS AT MARCH 31	530.8	353.4
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank deposits, balances and cash	829.8	591.3
Bank overdrafts	(2.6)	–
	827.2	591.3
Less: Long-term bank deposits	(296.4)	(237.9)
	530.8	353.4