

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 March 2004

	2004 HK\$ Million	2003 HK\$ Million
Cash generated from operations (Note a)	4,416.1	3,483.4
Interest received	120.9	79.7
Interest paid	(153.2)	(381.1)
Dividends received from associates	511.3	983.4
Dividends received from investments	38.4	87.7
Hong Kong profits tax paid	(75.9)	(18.9)
Overseas tax paid	(169.0)	(820.8)
Net cash inflow from operating activities	4,688.6	3,413.4
Investing activities		
Increase in interest in a subsidiary	(7.8)	(951.9)
Purchase of non-trading securities	(197.1)	(207.9)
Purchase of fixed assets	(6.0)	(49.9)
Disposal of subsidiaries (Note b)	–	220.6
Proceeds from disposal of associates	–	10.8
Proceeds from disposal of non-trading securities	261.7	2,822.1
Proceeds from disposal of fixed assets	10.7	11.4
Increase in deferred debtors	(111.2)	(341.2)
Decrease in net advances from associates	(1,738.5)	(411.4)
Net cash (outflow)/inflow from investing activities	(1,788.2)	1,102.6
Financing activities		
Drawdown of long-term bank loans	3,005.3	6,648.4
Repayment of long-term bank loans	(5,294.3)	(5,969.4)
Net repayment of short-term bank loans	(1,607.4)	(5,351.9)
Dividends paid to shareholders	(152.4)	(152.4)
Dividends paid to minority shareholders	(170.0)	(86.3)
Issue of ordinary shares	–	0.6
Net cash outflow from financing activities	(4,218.8)	(4,911.0)
Net decrease in cash and cash equivalents	(1,318.4)	(395.0)
Cash and cash equivalents at 1 April	3,182.7	3,451.1
Effect of foreign exchange rate	152.9	126.6
Cash and cash equivalents at 31 March	2,017.2	3,182.7
Analysis of the balances of cash and cash equivalents		
Bank balances and deposits	2,017.2	3,182.7

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 March 2004

NOTES TO CONSOLIDATED CASH FLOW STATEMENT

a) Reconciliation of profit/(loss) before taxation to cash generated from operations

	2004 HK\$ Million	2003 HK\$ Million
Profit/(loss) before taxation	3,373.7	(191.3)
Adjustments for:		
Share of profits less losses of associates	(2,047.3)	(1,671.0)
Interest income	(118.9)	(67.6)
Interest expense	116.7	231.8
Dividend income from investments	(32.6)	(59.6)
Depreciation	3.0	60.9
(Write back of provision)/provision for properties	(40.0)	2,428.5
Impairment of non-trading securities	41.4	–
Net (profit)/loss on disposal of non-trading securities	(19.8)	192.6
Amortisation of negative goodwill	(45.5)	–
Profit on disposal of fixed assets	(1.4)	(4.6)
Gain on disposal of a discontinued operation	–	(31.5)
Deferred profits realised	–	(30.8)
Exchange differences	51.2	66.0
Operating profit before working capital changes	1,280.5	923.4
Increase in properties under development for sale	(1,898.0)	(2,338.8)
Decrease in properties held for sale	5,269.4	7,117.2
Decrease/(increase) in short-term investments	22.2	(102.0)
Decrease/(increase) in trade and other receivables	1,263.8	(1,167.6)
Decrease in deposits from sale of properties	(1,418.0)	(1,527.9)
(Decrease)/increase in trade and other payables	(103.8)	571.8
Decrease in inventories	–	7.3
Cash generated from operations	4,416.1	3,483.4

b) Disposal of subsidiaries

	2004 HK\$ Million	2003 HK\$ Million
Net assets disposal of:		
Non-current assets	–	178.6
Current assets	–	853.0
Current liabilities	–	(309.3)
Minority interests	–	(143.3)
Satisfied in cash	–	579.0
Cash of subsidiaries disposed of	–	(358.4)
Net cash inflow in respect of the disposal of subsidiaries	–	220.6