

## Consolidated Cash Flow Statement

For the year ended 31st March, 2004

	Notes	2004 HK\$'000	2003 HK\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit/(loss) before tax		<b>137,624</b>	(477,882)
Adjustments for:			
Finance costs	8	<b>29,285</b>	33,027
Share of profits and losses of jointly-controlled entities	19	<b>(86,306)</b>	(1,454)
Write off of loans to jointly-controlled entities		<b>84,488</b>	–
Depreciation	7,15	<b>1,522</b>	2,047
Interest income	5	<b>(2,595)</b>	(1,065)
Loss on disposal of fixed assets	7	<b>33</b>	280
Negative goodwill on acquisitions of subsidiaries		<b>(1,852)</b>	–
Deficit/(surplus) on revaluation of investment properties		<b>(184,155)</b>	94,836
Impairment of properties held for sale		–	218,319
Impairment/(reversal of impairment) of properties under development		<b>(11,427)</b>	148,457
Provision against rental receivables	7	–	234
Provision for bad debts	7	<b>299</b>	1,826
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Operating profit/(loss) before working capital changes		<b>(33,084)</b>	18,625
Increase in properties under development		<b>(127,812)</b>	(88,152)
Decrease in properties held for sale		<b>23,082</b>	168,915
Increase in prepayments, deposits and other receivables		<b>(51,021)</b>	(23,461)
Increase/(decrease) in accounts payable and accrued liabilities		<b>(30,790)</b>	4,217
Increase in customer deposits		<b>55,599</b>	1,141
Increase in amounts due to fellow subsidiaries		<b>935</b>	–
Increase in amounts due to related companies		<b>801</b>	–
Exchange differences		<b>(816)</b>	955
		<hr/>	<hr/>
Cash generated from/(used in) operations		<b>(163,106)</b>	82,240
Hong Kong profits tax paid		<b>(140)</b>	(12)
Hong Kong profits tax refunded		<b>2</b>	29
Overseas taxes paid		<b>(12,307)</b>	(4,631)
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Net cash inflow/(outflow) from operating activities – page 29		<b>(175,551)</b>	77,626

## Consolidated Cash Flow Statement (Continued)

For the year ended 31st March, 2004

	Notes	2004 HK\$'000	2003 HK\$'000
Net cash inflow/(outflow) from operating activities – page 28		<b>(175,551)</b>	77,626
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received		<b>2,595</b>	1,065
Purchases of fixed assets	15	<b>(1,866)</b>	(642)
Additions to investment properties	17	<b>(5,498)</b>	(132,461)
Decrease/(increase) in pledged time deposits		<b>(112,097)</b>	25,000
Repayment from jointly-controlled entities		<b>560</b>	32,814
Acquisitions of subsidiaries	30(a)	<b>(27,283)</b>	–
Disposal of a subsidiary	30(b)	<b>989</b>	–
Net cash outflow from investing activities		<b>(142,600)</b>	(74,224)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Interest paid		<b>(59,145)</b>	(63,444)
Increase in bank loans		<b>696,747</b>	146,250
Repayment of bank loans		<b>(209,715)</b>	(169,123)
Net proceeds from rights issue		<b>194,740</b>	–
Net proceeds from share placement		<b>106,866</b>	–
Capital injection from minority shareholders		<b>3,743</b>	–
Increase in/(repayment of) loans from minority interests		<b>(18,331)</b>	12,713
Redemption of convertible guaranteed bonds		<b>(300,000)</b>	–
Net cash inflow/(outflow) from financing activities		<b>414,905</b>	(73,604)
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>96,754</b>	(70,202)
Cash and cash equivalents at beginning of the year		<b>95,697</b>	165,899
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b>192,451</b>	95,697
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Time deposits with original maturity of less than three months when acquired		<b>80,000</b>	30,758
Cash and bank balances		<b>121,540</b>	68,583
Bank overdrafts	25	<b>(9,089)</b>	(3,644)
		<b>192,451</b>	95,697