

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2004

	2004 HK\$'000	2003 HK\$'000 (As restated)
OPERATING ACTIVITIES		
Profit (loss) before taxation	183,946	(332,729)
Adjustments for:		
Share of results of associates	(156,400)	344,404
Share of results of jointly controlled entities	(9,074)	(1,895)
Release of negative goodwill	(53,139)	(18,412)
Interest expenses	38,237	34,295
Amortisation of deferred expenditure on issuance of convertible notes	485	2,385
Depreciation and amortisation of property, plant and equipment	74,969	18,756
Impairment loss on property interests	1,496	–
Allowance for amounts due from associates and a related company	40,985	–
Net gain on disposal and dilution of interests in subsidiaries and associates	(83,600)	–
Impairment loss on investment securities	5,340	20,410
Loss on option agreement	52,871	–
Deficit arising from revaluation of investment properties	14,000	–
Surplus arising from revaluation of land and buildings	(273)	(242)
Net unrealised holding (gain) loss on listed other investments	(36)	3,049
Gain on disposal of investment securities	(17,180)	–
Net gain on disposal of listed other investments	(26,643)	(669)
(Gain) loss on disposal of property, plant and equipment	(3,875)	2,746
Loss (gain) on disposal of investment properties	2,152	(1)
Operating cash flows before movements in working capital	64,261	72,097
Decrease in property held for resale	2,342	–
Decrease (increase) in inventories	118	(38)
Increase in amounts due from (to) customers for contract works, net of attributable interest expenses and depreciation and amortisation	(101,929)	(26,763)
(Increase) decrease in debtors, deposits and prepayments	(17,709)	28,716
Decrease in amounts due from associates	4,955	73
Increase in amounts due from jointly controlled entities	(664)	–
Decrease (increase) in amounts due from related companies	7,344	(4,846)
Decrease in loans receivable	69,249	826
Increase (decrease) in creditors and accrued expenses	13,564	(82,186)
(Decrease) increase in amounts due to associates	(25,751)	4,889
Increase (decrease) in amounts due to related companies	11	(1,569)
Cash generated from (used in) operations	15,791	(8,801)
Dividends received from associates	55,844	8,973
Dividends received from a jointly controlled entity	–	5,000
Overseas tax (paid) refunded	(4,487)	7
Hong Kong Profits Tax refunded	–	12
Hong Kong Profits Tax paid	(11,822)	(513)
NET CASH FROM OPERATING ACTIVITIES	55,326	4,678

CONSOLIDATED CASH FLOW STATEMENT *(continued)*

FOR THE YEAR ENDED 31ST MARCH, 2004

	Note	2004 HK\$'000	2003 HK\$'000 (As restated)
INVESTING ACTIVITIES			
Proceeds from disposal of interests in associates		565,568	27
Proceeds from partial disposal of interests in subsidiaries		128,913	–
Repayments from related companies		74,874	36,663
Proceeds from disposal of listed other investments		71,476	3,561
Repayments from associates		49,759	134,129
Proceeds from disposal of investments in securities		48,319	–
Proceeds from disposal of investment properties		47,056	1,126
Proceeds from disposal of property, plant and equipment		33,429	13,582
Repayments from jointly controlled entities		3,000	–
Acquisition of interests in associates		(124,137)	(27,370)
Amounts advanced to related companies		(94,681)	(37,043)
Amounts advanced to associates		(76,431)	(109,326)
Acquisition of subsidiaries, net of cash and cash equivalents acquired	38	(59,742)	81,286
Additions to investment securities		(40,144)	(1,286)
Acquisition of additional interests in subsidiaries		(27,059)	–
Additions to property, plant and equipment		(10,979)	(12,023)
Investment in convertible notes receivable		–	(17,500)
NET CASH FROM INVESTING ACTIVITIES		589,221	65,826
FINANCING ACTIVITIES			
Repayments of bank borrowings		(215,493)	(92,815)
Repayments of other loans		(126,500)	(20,000)
Redemption of convertible notes		(96,000)	(580,000)
Dividend paid to minority shareholders of a subsidiary		(76,219)	(1,350)
Interest paid		(38,237)	(36,712)
Repayment of advance from a jointly controlled entity		(13,759)	–
Loan (repaid to) advanced from minority shareholders of a subsidiary		(4,373)	1,560
Expenditure incurred for issuance of convertible notes		(234)	(721)
Capital contributed by minority shareholders		3,750	–
Proceeds from issue of convertible notes		–	392,500
New bank loans raised		–	218,190
Other loans raised		–	146,500
Amount advanced from jointly controlled entities		–	21,883
NET CASH (USED IN) FROM FINANCING ACTIVITIES		(567,065)	49,035
NET INCREASE IN CASH AND CASH EQUIVALENTS		77,482	119,539
CASH AND CASH EQUIVALENTS BROUGHT FORWARD		195,654	76,874
EFFECT OF FOREIGN EXCHANGE RATE CHANGES		(1,332)	(759)
CASH AND CASH EQUIVALENTS CARRIED FORWARD		271,804	195,654
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS			
Bank deposits		24,824	214,963
Bank balances and cash		278,227	26,226
Bank overdrafts		(31,247)	(45,535)
		271,804	195,654