

Consolidated Cash Flow Statement

For the year ended 30th June, 2004

	2003 HK\$'000	2004 HK\$'000
OPERATING ACTIVITIES		
Profit from operations	494,674	695,703
Adjustments for:		
Interest from		
– jointly controlled entities	(58,409)	(40,297)
– defeasance and other bank deposits, loans and receivables	(95,592)	(79,834)
– held-to-maturity debt securities	–	(71,259)
Amortisation of premium on acquisition of held-to-maturity debt securities	–	48,087
Dividends from unlisted investments	(962)	–
Depreciation of property, plant and equipment	8,912	14,544
Amortisation of cost of investment in jointly controlled entities	77,271	102,638
Impairment loss written back/gain on disposal of infrastructure project	(366,000)	(580,415)
Gain on disposal of other property, plant and equipment	(6,146)	(2,270)
Impairment loss on investment securities recognised	7,540	–
Unrealised holding loss on other investments	1,693	–
Loss on repurchase of notes	3,509	–
Losses on properties and investment	–	19,442
Operating cash flows before movements in working capital	66,490	106,339
Decrease (increase) in inventories	1,108	(283)
Decrease in trade and other receivables, and deposits and prepayments	11,979	31,868
(Decrease) increase in trade and other payables, and rental and other deposits	(45,247)	18,704
Decrease in amounts due from customers for contract work	11,604	323
Decrease in amounts due to customers for contract work	(1,256)	(14,423)
Cash generated from operations	44,678	142,528
Hong Kong Profits Tax paid	(2,516)	(70,138)
Taxation elsewhere paid	(14,117)	(4,024)
Hong Kong Profits Tax refunded	116	–
NET CASH FROM OPERATING ACTIVITIES	28,161	68,366

Consolidated Cash Flow Statement (continued)

For the year ended 30th June, 2004

	Note	2003 HK\$'000	2004 HK\$'000
INVESTING ACTIVITIES			
Interest received		52,253	89,971
Dividends received		257,360	489,556
Additions to investment properties		(4,149)	(20,523)
Additions to property, plant and equipment		(23,056)	(41,234)
Interests in associates		572	(39)
Advances from (repayment to) associates		2,386	(6,129)
Investments in and loans to jointly controlled entities		(268,804)	(151,780)
Repayments of loans by jointly controlled entities		553,387	187,470
(Increase) decrease in other investments		(19,748)	18,055
Repayment from other projects		281,339	413
Acquisition of held-to-maturity debt securities		–	(2,091,378)
Proceeds on disposal of held-to-maturity debt securities		–	243,828
Cash paid for cancellation of share purchase option		–	(70,000)
Additions to properties for or under development		(127,164)	(94,538)
Net proceeds received on disposal of			
– infrastructure project		–	1,389,028
– other property, plant and equipment		13,045	3,105
Payment of project development expenditure and contractors' deposits		–	(363,089)
Deposits on infrastructure project refunded		–	143,400
Decrease in long-term receivables		464,282	32,540
Disposal of subsidiaries	38	–	7,572
Decrease in defeasance deposits		3,349,629	149,160
Decrease in bank deposits pledged		2,244	–
NET CASH FROM (USED IN) INVESTING ACTIVITIES		4,533,576	(84,612)
FINANCING ACTIVITIES			
Interest paid		(387,921)	(166,653)
Loan arrangement fees and bank charges paid		(8,621)	(24,055)
Dividends paid to			
– shareholders		(385,432)	(511,580)
– minority shareholders of subsidiaries		(250)	(88,670)
Distributions to minority shareholders		–	(231,960)
Capital contribution from minority shareholders		5,764	2,561
Net proceeds from issue of shares by			
– the Company		–	70,177
– a listed subsidiary		–	2,889,211
New bank and other loans		363,558	1,100,000
Repayment of bank and other loans		(516,704)	(2,685,115)
Repurchase of notes		(42,499)	–
Redemption of notes payable		(2,902,341)	–
Early redemption premium paid		(148,745)	–
NET CASH (USED IN) FROM FINANCING ACTIVITIES		(4,023,191)	353,916
NET INCREASE IN CASH AND CASH EQUIVALENTS		538,546	337,670
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		145,149	694,604
EFFECT OF FOREIGN EXCHANGE RATE CHANGES		10,909	(2,341)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, representing bank balances and cash		694,604	1,029,933