

# Consolidated Cash Flow Statement

FINANCIAL STATEMENTS

for the year ended 30th June, 2004

	Note	2004 HK\$'000	2003 HK\$'000
<b>OPERATING ACTIVITIES</b>			
Profit from operations		696,374	466,459
Adjustments for:			
Dividends from investments in securities		(19,115)	(56,806)
Depreciation and amortisation		64,005	73,538
Interest income		(28,947)	(28,701)
Gain on disposal of investments in securities		(61,911)	(12,815)
(Gain) loss on disposal of property, plant and equipment		(76,091)	1,269
Unrealised holding gain on investments in securities		(48,901)	(63,104)
Impairment loss on property, plant and equipment recognised		53,613	14,318
(Reversal of) impairment loss on properties held for development recognised		(367)	6,404
(Write back of) allowance for completed properties for sale		(17,254)	46,302
(Write back of) allowance for doubtful debts		(3,321)	4,511
Operating cash flows before movements in working capital		558,085	451,375
(Increase) decrease in instalments receivable		(598)	1,999
(Increase) decrease in inventories		(900)	1,617
Decrease in completed properties for sale		2,627	1,322
Increase in debtors, deposits and prepayments		(3,267)	(19,317)
Decrease in creditors and accrued expenses		(28,448)	(16,154)
Cash generated from operations		527,499	420,842
Income taxes paid		(49,780)	(38,494)
Interest paid		(17,310)	(45,152)
Interest on finance leases paid		(4)	(70)
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>		<b>460,405</b>	<b>337,126</b>
<b>INVESTING ACTIVITIES</b>			
Dividends received from associates and investments in securities		884,969	924,402
Proceeds from disposal of associates		—	263,027
Purchase of investment properties		(549)	—
Purchase of property, plant and equipment		(19,168)	(25,079)
Proceeds from disposal of property, plant and equipment		6,625	2,647
Payments to acquire investments in securities		—	(68,330)
Proceeds from disposal of investments in securities		639,263	128,080
Payments to acquire additional interest in associates		—	(7,572)
(Repayment to) from investee companies		(4,181)	3,745
Proceeds from disposal of a subsidiary (net of cash and cash equivalents disposed)	32	(58)	—
Proceeds from redemption of held-to-maturity securities		165,162	177,840
Interest received		33,717	39,170
<b>NET CASH GENERATED FROM INVESTING ACTIVITIES</b>		<b>1,705,780</b>	<b>1,437,930</b>

## Consolidated Cash Flow Statement

for the year ended 30th June, 2004

	2004 HK\$'000	2003 HK\$'000
<b>FINANCING</b>		
Dividends paid to shareholders	(619,840)	(619,466)
Dividends paid to minority shareholders	(66,383)	(31,622)
(Repayment to) advance from a fellow subsidiary	(127,249)	39,945
Repayment to minority shareholders	(15,800)	(27,440)
Repayment to associates	(813)	(26,212)
Repayment of obligations under finance leases	(47)	(417)
Issue of shares to minority shareholders	2,340	—
New bank and other loans raised	6,100	53,153
Repayment of bank and other loans	<u>(287,421)</u>	<u>(1,010,692)</u>
<b>NET CASH USED IN FINANCING</b>	<b><u>(1,109,113)</u></b>	<b><u>(1,622,751)</u></b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>1,057,072</b>	152,305
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b><u>757,371</u></b>	<b><u>605,066</u></b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b><u>1,814,443</u></b>	<b><u>757,371</u></b>
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>		
Bank balances and cash	1,843,613	794,358
Bank overdraft	<u>(29,170)</u>	<u>(36,987)</u>
	<b><u>1,814,443</u></b>	<b><u>757,371</u></b>