

consolidated cash flow statement

for the year ended 31st December, 2004

	Note	2004 HK\$'000	2003 HK\$'000	2004 US\$'000 (Note 42)	2003 US\$'000 (Note 42)
Operating Activities					
Profit from operations		1,226,408	864,959	157,231	110,894
Adjustments for:					
Amortization/write off of intangible assets		8,692	7,779	1,114	997
Amortization of goodwill		35,263	25,056	4,521	3,212
Depreciation and amortization on property, plant and equipment		316,509	303,846	40,578	38,955
Impairment loss of investment securities recognized		14,226	14,028	1,825	1,796
Interest income		(52,772)	(16,743)	(6,766)	(2,147)
Loss (profit) on disposal of property, plant and equipment		1,882	(4,304)	241	(552)
Release of negative goodwill to income		(4,307)	(4,306)	(552)	(552)
Operating cash flows before movements in working capital		1,545,901	1,190,315	198,192	152,603
Increase in inventories		(265,316)	(455,063)	(34,015)	(58,341)
Increase in trade and other receivables, deposits and prepayments		(621,895)	(747,305)	(79,730)	(95,808)
(Increase) decrease in bills receivable		(220,369)	225,641	(28,252)	28,928
(Increase) decrease in trade receivables from associates		(1,199)	6,712	(154)	861
Increase in trade and other payables		786,963	186,109	100,893	23,860
Increase in bills payable		909,145	1,196,329	116,557	153,376
Increase in warranty provision		31,523	59,640	4,041	7,646
Increase in trade payable to an associate		18,363	3,230	2,354	414
Cash generated from operations		2,183,116	1,665,608	279,886	213,539
Interest paid		(132,489)	(93,647)	(16,986)	(12,006)
Hong Kong profits tax paid		(105,995)	(30,537)	(13,589)	(3,915)
Overseas tax paid		(37,440)	(59,582)	(4,800)	(7,639)
Hong Kong profits tax refunded		668	–	86	–
Overseas tax refunded		68,779	16,138	8,818	2,069
Net cash from operating activities		1,976,639	1,497,980	253,415	192,048
Investing Activities					
Purchase of property, plant and equipment		(296,061)	(238,299)	(37,957)	(30,551)
Additions to intangible assets		(216,262)	(6,642)	(27,726)	(852)
Purchase of additional interest in a subsidiary		(42,900)	–	(5,500)	–
Advances to associates		(37,043)	(2,116)	(4,749)	(271)
Capital injection to an associate		(5,850)	–	(750)	–
Acquisition of subsidiaries (net of cash and cash equivalents acquired)	31	–	(818,857)	–	(104,982)
Interest received		52,772	16,743	6,766	2,147
Proceeds from disposal of property, plant and equipment		16,715	94,920	2,143	12,169
Proceeds from disposal of investments in securities		5,575	1,810	715	232
Net cash used in investing activities		(523,054)	(952,441)	(67,058)	(122,108)

	2004 HK\$'000	2003 HK\$'000	2004 US\$'000 (Note 42)	2003 US\$'000 (Note 42)
Financing Activities				
Proceeds from issue of convertible bonds	1,069,770	–	137,150	–
New bank loans obtained	811,412	1,178,302	104,027	151,064
Proceeds from issue of shares	141,261	61,938	18,110	7,941
Increase in trust receipt loans	46,969	14,697	6,022	1,884
Proceeds from issue of fixed interest rate notes	–	1,089,321	–	139,657
Repayment of bank loans	(423,614)	(2,037,364)	(54,309)	(261,201)
Dividend paid	(178,998)	(113,251)	(22,948)	(14,519)
Repayment of obligations under finance leases	(20,046)	(10,169)	(2,570)	(1,304)
Net cash from financing activities	1,446,754	183,474	185,482	23,522
Net increase in cash and cash equivalents	2,900,339	729,013	371,839	93,462
Cash and cash equivalents at beginning of the year	2,444,098	1,753,900	313,346	224,859
Effect of foreign exchange rate changes	(29,919)	(38,815)	(3,836)	(4,975)
Cash and cash equivalents at end of the year	5,314,518	2,444,098	681,349	313,346
Analysis of the Balances of Cash and Cash Equivalents				
Represented by:				
Bank balances, deposits and cash	5,452,057	2,586,075	698,982	331,548
Bank overdrafts	(137,539)	(141,977)	(17,633)	(18,202)
	5,314,518	2,444,098	681,349	313,346