

Consolidated Cash Flow Statement

Year ended 31 December 2004

	Notes	2004 HK\$'000	2003 HK\$'000 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		894,229	817,058
Adjustments for:			
Finance costs	7	138,048	150,370
Share of profits and losses of jointly-controlled entities and associates		(107,628)	(46,315)
Revaluation surplus on investment properties		(13,785)	(200)
Depreciation	6	592,985	529,550
Amortisation of operating concessions	6	101,367	101,367
Amortisation of management information systems	6	1,886	1,886
Amortisation of licences	6	1,435	735
Amortisation of goodwill	6, 21	–	25,095
Excess of the Group's interest in the net fair value of the investees' identifiable assets, liabilities and contingent liabilities over cost recognised as income	5	(35,767)	–
Negative goodwill recognised as income	5	–	(10,414)
Impairment of fixed assets	6	29,386	–
Impairment of deferred development costs	6	–	13,294
Impairment of goodwill	6	17,512	7,488
Impairment of interest in an associate	6	–	7,065
Impairment of available-for-sale financial assets	6	44,300	–
Impairment of long term investments	6	–	46,577
Interest income		(44,751)	(38,598)
Investment income	5	(3,053)	(7,429)
(Gain)/loss on disposal of fixed assets, net	6	14,370	(8,948)
Gain on disposal of investment properties	5	(238)	–
Loss on disposal of interests in subsidiaries	6	6,433	–
Gain on deemed disposal of interests in subsidiaries	5	(20,715)	(96,530)
Gain on partial disposal of interest in a jointly-controlled entity	5	–	(779)
Loss on deemed disposal of interest in a jointly-controlled entity	6	680	–
Gain on disposal of interests in associates	5	(96,766)	–
Gain on deemed disposal of interest in an associate	5	(369)	–
Gain on disposal of available-for-sale financial assets	5	(6,298)	–
Gain on disposal of long term investments	5	–	(8,008)
Gain on disposal of financial assets at fair value through profit or loss	5	(841)	–
Gain on disposal of short term investments	5	–	(1,227)
Unrealised loss on revaluation of financial assets at fair value through profit or loss, net	6	4,570	–
Unrealised gain on revaluation of short term investments, net	5	–	(2,345)
Operating profit before working capital changes		1,516,990	1,479,692

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CASH FLOWS FROM OPERATING ACTIVITIES		
Operating profit before working capital changes	1,516,990	1,479,692
Decrease/(increase) in lease premium for land	15,709	(21,217)
Decrease/(increase) in properties held for sale	465,786	(118,607)
Decrease/(increase) in properties under development	(11,058)	175,563
Decrease/(increase) in inventories	(305,424)	80,353
Increase in amount due from customers for contract work	(10,165)	(2,234)
Increase in trade and bills receivables	(172,549)	(151,097)
Decrease/(increase) in other receivables	(242,387)	42,374
Purchases of financial assets at fair value through profit or loss	(40,082)	–
Purchases of short term investments	–	(6,294)
Proceeds from disposal of financial assets at fair value through profit or loss	34,916	–
Proceeds from disposal of short term investments	–	8,383
Increase in taxes recoverable	(1,240)	(6,182)
Increase in trade and bills payables	108,220	11,702
Increase in amounts due to customers for contract work	25,954	24,612
Increase in other payables and accruals	36,749	324,331
Increase/(decrease) in other taxes payable	(5,096)	6,846
Decrease in other long term liabilities	(29,787)	(25,043)
Exchange adjustments	896	–
Cash generated from operations	1,387,432	1,823,182
Dividends received from jointly-controlled entities and associates	98,978	9,914
Hong Kong profits tax paid	(712)	(571)
Mainland China income tax paid	(187,418)	(111,810)
Overseas income tax paid	(486)	(14)
Net cash inflow from operating activities	1,297,794	1,720,701

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Year ended 31 December 2004

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CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of fixed assets	<i>7, 15</i>	(1,058,061)	(768,481)
Proceeds from disposal of fixed assets		121,906	90,621
Proceeds from disposal of investment properties		6,679	–
Purchases of intangible assets	<i>18</i>	(15,642)	(4,050)
Acquisition of subsidiaries	<i>45(a)</i>	223,920	(75,545)
Acquisition of minority interests		(27,382)	(43,315)
Disposal of subsidiaries	<i>45(b)</i>	(14,333)	–
Acquisition of and increase in investments in jointly-controlled entities and associates		(258,166)	(68,691)
Proceeds from disposal of interests in jointly-controlled entities and associates		355,722	21,667
Deposit paid for acquisition of interests in companies	<i>29</i>	(156,827)	(141,309)
Net (increase)/decrease in amounts due from/to and loans to jointly-controlled entities and associates		(6,948)	23,154
Purchases of available-for-sales financial assets		(10,828)	–
Proceeds from disposal of available-for-sale financial assets		41,512	
Purchases of long term investments		–	(40,012)
Proceeds from disposal of long term investments		–	51,179
Decrease/(increase) in time deposits with a maturity of more than three months when acquired		(142,926)	214,225
Decrease/(increase) in pledged bank balances		10,620	8,068
Interest received		44,751	38,598
Investment income received		3,053	7,429
Net cash outflow from investing activities		(882,950)	(686,462)

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Year ended 31 December 2004

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CASH FLOWS FROM FINANCING ACTIVITIES			
Capital contributions by minority shareholders		80,870	420,250
New loans		2,886,896	1,860,101
Repayment of loans		(2,549,491)	(2,598,517)
Interest paid	7	(139,152)	(151,174)
Dividends paid		(174,300)	(174,300)
Dividends paid to minority shareholders		(94,773)	(68,142)
Net cash inflow/(outflow) from financing activities		10,050	(711,782)
NET INCREASE IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at beginning of year		3,083,000	2,760,766
Effect of foreign exchange rate changes, net		(51)	(223)
CASH AND CASH EQUIVALENTS AT END OF YEAR			
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	32	2,990,437	2,059,019
Cash equivalents	32	41,136	–
Time deposits	32	1,163,802	1,713,960
Cash and cash equivalents attributable to discontinued operations	11(b)	134,597	–
Less: Pledged bank balances	23	(53,911)	(64,687)
Time deposits with maturity of more than three months when acquired		(768,218)	(625,292)
		3,507,843	3,083,000