

# Consolidated Cash Flow Statement *For the year ended 31 March 2005*

	2005 HK\$ Million	2004 HK\$ Million
<b>Cash used in operations (Note)</b>	(184.7)	(1,260.8)
Interest received	34.5	51.5
Interest paid	(42.1)	(41.0)
Dividends received from listed securities	140.2	103.6
Dividends received from associates	223.5	116.6
Hong Kong profits tax paid	(8.4)	(22.1)
Overseas profits tax refunded/(paid)	0.2	(168.9)
<b>Net cash inflow/(outflow) relating to operating activities</b>	<u>163.2</u>	<u>(1,221.1)</u>
<b>Investing activities</b>		
Proceeds from disposal of non-trading equity securities	322.7	156.2
Proceeds from disposal of fixed assets	0.1	10.0
Proceeds from disposal of an associate	9.5	–
Purchase of non-trading equity securities	(189.0)	(197.1)
Purchase of fixed assets	(406.8)	(4.8)
Decrease in deferred debtors	30.6	12.2
Decrease in net amounts due from associates	718.7	2,208.9
<b>Net cash inflow relating to investing activities</b>	<u>485.8</u>	<u>2,185.4</u>
<b>Financing activities</b>		
Drawdown of long-term loans	2,119.2	1,255.3
Repayment of long-term loans	(898.1)	(1,544.3)
Net repayment of short-term bank loans	(230.0)	(1,470.0)
Dividends paid to Shareholders	(144.9)	(144.9)
Dividends paid to minority shareholders	(22.3)	(26.6)
<b>Net cash inflow/(outflow) relating to financing activities</b>	<u>823.9</u>	<u>(1,930.5)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	1,472.9	(966.2)
Cash and cash equivalents at 1 April	1,981.9	2,795.2
Effect of foreign exchange rate changes	29.7	152.9
<b>Cash and cash equivalents at 31 March</b>	<u>3,484.5</u>	<u>1,981.9</u>
<b>Analysis of the balances of cash and cash equivalents at 31 March</b>		
Bank balances and deposits	<u>3,484.5</u>	<u>1,981.9</u>

**Note to the consolidated cash flow statement**

Reconciliation of profit before taxation to cash used in operations

	2005	2004
	HK\$ Million	HK\$ Million
Profit before taxation	2,009.8	1,219.4
Adjustments for:		
Share of profits less losses of associates	(765.6)	(712.5)
Interest income	(35.7)	(51.1)
Interest expenses	15.6	37.4
Depreciation	1.2	1.0
Dividend income from listed securities	(144.0)	(136.4)
Net profit on disposal of non-trading equity securities	(89.3)	(10.0)
Profit on sale of an associate	(9.5)	–
Impairment of non-trading equity securities	–	41.4
Write back of provision for properties	(468.2)	(24.2)
Loss/(profit) on disposal of fixed assets	0.3	(1.5)
Amortisation of negative goodwill	(12.9)	(63.8)
Exchange differences	55.1	51.2
<b>Operating profit before working capital changes</b>	<b>556.8</b>	<b>350.9</b>
Decrease in short-term investments	79.8	22.2
Increase in properties under development for sale	(2,128.3)	(1,511.4)
Decrease in properties held for sale	1,225.7	259.3
Decrease/(increase) in trade and other receivables	72.0	(329.5)
Increase in net amounts due to fellow subsidiaries	27.1	19.4
Decrease in trade and other payables	(17.8)	(71.7)
<b>Cash used in operations</b>	<b>(184.7)</b>	<b>(1,260.8)</b>