

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

Amounts expressed in HK\$ million

	2005	2004
OPERATING ACTIVITIES		
Profit from operations	315	411
Adjustments for:		
Dividend income	(3)	(4)
Interest income	(25)	(9)
Allowance for loan to a jointly controlled entity	–	3
Impairment loss recognised in respect of other securities	3	2
Depreciation and amortisation of property, plant and equipment	104	94
Unrealised gain on investments in securities	–	(13)
Write back of amount due to an associate	(12)	–
Loss on disposal of property, plant and equipment	1	5
Net realised loss (gain) on disposal of investments in securities	2	(2)
Operating cash flows before movements in working capital	385	487
Increase in inventories	(343)	(140)
Decrease in trade and other receivables	28	76
Increase in bills receivable	(462)	(783)
Increase in amount due from a jointly controlled entity	(3)	(7)
Increase in trade and other payables	503	374
Increase in bills payable	811	153
Increase in amount due to a jointly controlled entity	–	2
Cash generated from operations	919	162
Hong Kong Profits Tax paid	–	(69)
PRC income tax paid	(26)	(10)
Other PRC taxes paid	(37)	(11)
NET CASH FROM OPERATING ACTIVITIES	856	72

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

Amounts expressed in HK\$ million

	2005	2004
INVESTING ACTIVITIES		
Dividend received	3	4
Interest received	25	9
Purchase of property, plant and equipment	(136)	(250)
Proceeds on disposal of property, plant and equipment	1	–
Transfer of business (net of cash and cash equivalents disposed of)	–	(4)
Acquisition of additional interest in a subsidiary	(4)	(9)
Repayment of amount due from a jointly controlled entity	4	–
Purchase of investments in securities	(3)	(21)
Proceeds on disposal of investments in securities	50	15
Increase in pledged deposits	(1,055)	–
NET CASH USED IN INVESTING ACTIVITIES	(1,115)	(256)
FINANCING ACTIVITIES		
Interest paid	(22)	(1)
Dividends paid	(52)	(112)
Issue of shares for cash	12	28
Repayment of mortgage loans	(2)	(1)
New short-term bank loans	–	1
Repayment of short-term bank loans	(1)	–
Drawdown of syndicated loan	78	–
Repayment of syndicated loan	(78)	–
Funds arisen from discounted bills with recourse	3,023	–
Repayment of funds arisen from discounted bills with recourse upon maturity	(2,258)	–
Capital contributed by minority shareholders	1	–
NET CASH FROM (USED IN) FINANCING ACTIVITIES	701	(85)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	442	(269)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	445	714
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	(2)	–
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	885	445
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances and cash	885	445