

Consolidated Cash Flow Statement

For the year ended 30th June, 2005

	2004 HK\$'000	2005 HK\$'000
OPERATING ACTIVITIES		
Profit from operations	695,703	546,472
Adjustments for:		
Interest from		
Jointly controlled entities	(40,297)	(43,653)
Defeasance and other bank deposits, loans and receivables	(79,834)	(82,694)
Interest on held-to-maturity debt securities	(71,259)	(65,320)
Amortisation of premium on acquisition of held-to-maturity debt securities	48,087	40,826
Loss on disposal of held-to-maturity debt securities	–	751
Exchange losses on held-to-maturity debt securities, net	–	5,599
Depreciation of property, plant and equipment	14,544	15,686
Amortisation of cost of investments in jointly controlled entities	102,638	100,813
Gain on disposal of a power station project	(580,415)	(449,216)
Gain on disposal of other property, plant and equipment	(2,270)	(812)
Net losses on properties and investment	19,442	–
Operating cash flows before movements in working capital	106,339	68,452
Increase in inventories	(283)	(462)
Decrease in trade and other receivables, and deposits and prepayments	31,868	19,944
Increase in trade and other payables, and rental and other deposits	18,704	40,235
Decrease in amounts due from customers for contract work	323	–
Decrease in amounts due to customers for contract work	(14,423)	–
Cash generated from operations	142,528	128,169
Tax paid		
Hong Kong Profits Tax	(70,138)	(91,258)
Taxation elsewhere	(4,024)	(6,482)
NET CASH FROM OPERATING ACTIVITIES	68,366	30,429

Consolidated Cash Flow Statement (continued)

For the year ended 30th June, 2005

	Note	2004 HK\$'000	2005 HK\$'000
INVESTING ACTIVITIES			
Interest received		89,971	297,684
Dividends received		489,556	857,378
Additions to investment properties		(20,523)	(271,576)
Additions to property, plant and equipment		(41,234)	(21,598)
Interests in associates		(39)	-
(Repayment to) advances from associates		(6,129)	6,934
Investments in and loans to jointly controlled entities		(151,780)	(64,090)
Repayments of loans by jointly controlled entities		187,470	646,991
Decrease in other investments		18,055	-
Repayment from other investment projects		413	-
Acquisition of held-to-maturity debt securities		(2,091,378)	(301,120)
Proceeds on redemption and disposal of held-to-maturity debt securities		243,828	1,277,476
Cash paid for cancellation of share purchase option		(70,000)	-
Additions to properties for or under development		(94,538)	(229,094)
Net proceeds received on disposal of			
Power station project		1,389,028	672,464
Other property, plant and equipment		3,105	864
Interest in an associate		-	6,484
Interest in jointly controlled entities		-	518,376
Payment of project development expenditure and contractors' deposits		(363,089)	-
Deposits on power station project refunded		143,400	-
Decrease in long-term receivables		32,540	92,079
Decrease in defeasance deposits		149,160	1,587,990
Disposal of subsidiaries	38	7,572	-
NET CASH (USED IN) FROM INVESTING ACTIVITIES		(84,612)	5,077,242
FINANCING ACTIVITIES			
Interest paid		(166,653)	(88,061)
Loan arrangement fees and bank charges paid		(24,055)	(21,122)
Dividends paid to			
Shareholders		(511,580)	(646,120)
Minority shareholders of subsidiaries		(88,670)	(181,903)
Distributions to minority shareholders		(231,960)	(137,828)
Capital contribution from minority shareholders		2,561	-
Net proceeds from issue of shares by			
The Company		70,177	127,389
A listed subsidiary		2,889,211	34,252
Repurchase of shares		-	(19,912)
New bank and other loans		1,100,000	55,000
Repayment of bank and other loans		(2,685,115)	(1,233,555)
Redemption of notes		-	(1,474,201)
NET CASH FROM (USED IN) FINANCING ACTIVITIES		353,916	(3,586,061)
NET INCREASE IN CASH AND CASH EQUIVALENTS		337,670	1,521,610
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		694,604	1,029,933
EFFECT OF FOREIGN EXCHANGE RATE CHANGES		(2,341)	(113)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, representing bank balances and cash		1,029,933	2,551,430