

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2005

	NOTE	2005 HK\$'000	2004 HK\$'000 (restated)
OPERATING ACTIVITIES			
Profit before taxation		5,175,884	782,845
Adjustments for:			
Finance costs		214,585	161,650
Share of results of associates		(241,358)	(38,482)
Release of negative goodwill arising on acquisition of an associate		–	(2,124)
Reversal of impairment loss on investments in securities		–	(63,000)
Interest income		(2,914)	(1,229)
Dividend income		(33,714)	(24,947)
Depreciation		5,787	5,578
Amortisation of prepaid lease payments		163	163
Gain on disposal of investments in securities		–	(14,619)
Share-based payment expenses		2,171	–
Loss on disposal of property, plant and equipment		9	40
Release of negative goodwill arising on acquisition of additional interest in a subsidiary		–	(60)
Reversal of revaluation deficit on building for own use previously recognised in income statement		(65)	(50)
Fair value changes on investment properties		(4,226,005)	–
Fair value changes on financial instruments		24,777	–
Operating cash flows before movements in working capital		919,320	805,765
Decrease (increase) in accounts receivable, other receivables, prepayments and deposits		15,746	(36,777)
Decrease in staff housing loans, secured		245	12,883
Increase in rental deposits from tenants, accounts payable and accruals		16,563	26,628
Cash generated from operations		951,874	808,499
Hong Kong Profits Tax paid		(111,418)	(64,098)
NET CASH FROM OPERATING ACTIVITIES		840,456	744,401
INVESTING ACTIVITIES			
Interest received		2,228	543
Dividends received from available-for-sale investments/ investments in securities		30,564	24,947
Dividends received from associates		–	1,563
Additions to property, plant and equipment		(6,811)	(3,563)
Additions to investment properties		(370,387)	(104,527)
Proceeds on disposal of investment properties		41,569	–
Proceeds on disposal of investments in securities		–	26,512
Repayment from associates		–	86,216
Repayment from investees		17,390	27,146
Increase in advance from investees		–	3,579
Disposal of subsidiaries	36	2,679,567	–
NET CASH FROM INVESTING ACTIVITIES		2,394,120	62,416

	2005 HK\$'000	2004 HK\$'000 (restated)
FINANCING ACTIVITIES		
Net proceeds on exercise of share option	–	14,376
Share issue expenses	(40)	(47)
Interest paid	(188,181)	(147,270)
Bank charges	(10,079)	(11,312)
Medium Term Note Programme expenses	(972)	(976)
Other finance costs	(890)	–
Dividends paid	(363,539)	(317,357)
Dividends paid to minority shareholders of subsidiaries	(43,300)	(29,789)
New unsecured bank loans	10,000	1,549,100
Repayment of unsecured bank loans	(1,455,600)	(2,009,423)
Issue of floating rate notes	–	550,000
Floating rate notes issue expenses	–	(2,370)
Repayment of floating rate notes	–	(400,000)
Net proceeds from issue of zero coupon notes	197,615	–
Advance from minority shareholders	–	5,542
NET CASH USED IN FINANCING ACTIVITIES	(1,854,986)	(799,526)
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,379,590	7,291
CASH AND CASH EQUIVALENTS AT 1 JANUARY	21,924	14,633
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	1,401,514	21,924
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Time deposits	1,401,230	16,866
Cash and bank balances	284	5,058
	1,401,514	21,924