

## Consolidated Cash Flow Statement

for the year ended 31 December 2005

	Note	2005		2004 (restated)	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Operating activities</b>					
Profit before taxation			229,434		341,639
Adjustments for:					
Depreciation		8,382		10,050	
Amortisation of leasehold land premium		1,760		1,760	
Impairment loss of fixed assets		–		1,342	
Impairment loss of available-for-sale equity securities		3,112		–	
Net profit on disposal of fixed assets		(376)		(254)	
Revaluation gains on investment properties		(22,539)		(87,701)	
Unrealised gains on derivative financial instruments		(6,254)		–	
Interest income		(36,223)		(8,148)	
Dividend income		(2,000)		(1,386)	
Share of results of associates		14		(2,045)	
Realisation of inter-company profits	25	(24)		(16)	
Profit on disposal of investments		(9)		(18,000)	
			<u>(54,157)</u>		<u>(104,398)</u>
<b>Operating profit before changes in working capital</b>			<b>175,277</b>		<b>237,241</b>
Increase in properties held for development		(23,033)		(540,688)	
Increase in employee benefits surplus		(821)		(727)	
Decrease in inventories		181,527		398,109	
Decrease in trade and other receivables		48,834		67,469	
Decrease in trade and other payables		(116,197)		(102,184)	
			<u>90,310</u>		<u>(178,021)</u>
<b>Cash generated from operations</b>			<b>265,587</b>		<b>59,220</b>
Profits tax paid		(1,172)		(540)	
Profits tax refunded		2		340	
			<u>(1,170)</u>		<u>(200)</u>
<b>Net cash generated from operating activities</b>			<b>264,417</b>		<b>59,020</b>

## Consolidated Cash Flow Statement (Continued)

for the year ended 31 December 2005

	Note	2005		2004 (restated)	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Investing activities</b>					
Interest received		34,537		8,048	
Purchase of fixed assets		(11,842)		(11,928)	
Payment for purchase of available-for-sale equity securities		(41,629)		–	
Payment for purchase of derivative financial instruments		(64,239)		–	
Payment for properties under development – held for investment		(6,762)		(1,702)	
Repayment from associates		59,676		10,676	
Proceeds from disposal of fixed assets		449		3,299	
Proceeds from disposal of interest in an associate		310		–	
Proceeds from disposal of available-for-sale equity securities		9		58,000	
Dividends received from associates		–		150	
Dividends received from investments		2,000		1,386	
<b>Net cash (used in)/generated from investing activities</b>			<b>(27,491)</b>		67,929
<b>Financing activities</b>					
Dividends paid		(117,571)		(103,319)	
<b>Net cash used in financing activities</b>			<b>(117,571)</b>		(103,319)
<b>Increase in cash and cash equivalents</b>			<b>119,355</b>		23,630
<b>Cash and cash equivalents at 1 January</b>			<b>921,568</b>		897,938
<b>Cash and cash equivalents at 31 December</b>	20		<b>1,040,923</b>		921,568

The notes on pages 37 to 94 form part of these accounts.