

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December 2005
(Expressed in millions of Hong Kong dollars)

	note	2005	2004 restated*
Net cash inflow from operating activities	39(a)	26,840	17,623
Cash flows from investing activities			
Purchase of an interest in an associate		–	(1,634)
Dividends received from associates		75	21
Purchase of available-for-sale investments		(48,780)	–
Purchase of held-to-maturity debt securities		(190)	(61,039)
Proceeds from sale or redemption of available-for-sale investments		21,888	–
Proceeds from sale or redemption of held-to-maturity debt securities		33	39,337
Purchase of fixed assets		(167)	(139)
Proceeds from sale of fixed assets		186	181
Interest received from available-for-sale investments		4,495	3,258
Dividends received from available-for-sale investments		58	131
Net cash outflow from investing activities		(22,402)	(19,884)
Cash flows from financing activities			
Dividends paid		(9,942)	(9,750)
Interest paid for subordinated liabilities		(58)	–
Proceeds from subordinated liabilities, including financial liabilities designated at fair value		4,478	–
Net cash outflow from financing activities		(5,522)	(9,750)
Decrease in cash and cash equivalents		(1,084)	(12,011)
Cash and cash equivalents at 1 January		67,051	77,575
Effect of foreign exchange rate changes		(454)	1,487
Cash and cash equivalents at 31 December	39(b)	<u>65,513</u>	<u>67,051</u>

* Comparative figures have been restated to reflect the adoption of a number of new and revised Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards, details of which are set out in note 4 "Changes in accounting policies".

The notes on pages 87 to 185 form part of these financial statements.