

# Consolidated Cash Flow Statement

For the year ended 31st December 2005

|   | Note  | 2005<br>HK\$M  | 2004<br>HK\$M  |
|---|-------|----------------|----------------|
| <b>Operating activities</b>   |       |                |                |
| Cash generated from operations                                      | 40(a) | 5,030          | 6,064          |
| Payment of Taikoo Shing land premium                                |       | (1,531)        | (2,027)        |
| Interest paid   |       | (529)          | (713)          |
| Interest received   |       | 63             | 33             |
| Profits tax paid  |       | (319)          | (688)          |
|   |       | <b>2,714</b>   | <b>2,669</b>   |
| Dividends received from jointly controlled and associated companies |       | <b>2,152</b>   | <b>2,239</b>   |
| <b>Net cash from operating activities</b>                           |       | <b>4,866</b>   | <b>4,908</b>   |
| <b>Investing activities</b>   |       |                |                |
| Purchase of property, plant and equipment                           | 40(b) | (1,324)        | (773)          |
| Additions of investment properties                                  |       | (489)          | (781)          |
| Additions of leasehold land and land use rights                     |       | (2)            | (345)          |
| Proceeds from disposals of property, plant and equipment            |       | 23             | 165            |
| Proceeds from investment properties disposals                       |       | 508            | 744            |
| Sale of a subsidiary company  | 40(c) | 34             | –              |
| Purchase of shareholdings in jointly controlled companies           |       | (129)          | (8)            |
| Loans to jointly controlled companies                               |       | (135)          | (492)          |
| Purchase of shareholdings in associated companies                   |       | (225)          | (245)          |
| Loans to associated companies                                       |       | (3)            | (3)            |
| Purchase of intangible assets                                       |       | (31)           | (11)           |
| Sale of shareholdings in jointly controlled companies               |       | 186            | 7              |
| Repayment of loans from jointly controlled companies                |       | 505            | 1,508          |
| Sale of shareholdings in associated companies                       |       | 2,897          | 36             |
| Repayment of loans from associated companies                        |       | 12             | 12             |
| <b>Net cash generated from/(used in) investing activities</b>       |       | <b>1,827</b>   | <b>(186)</b>   |
| <b>Net cash inflow before financing</b>                             |       | <b>6,693</b>   | <b>4,722</b>   |
| <b>Financing activities</b>   |       |                |                |
| Loans drawn and refinancing   |       | 2,666          | 3,684          |
| Repayment of loans and bonds  |       | (4,963)        | (4,500)        |
| Capital contribution from minority interests                        | 40(d) | (2,297)        | (816)          |
| Repayment of capital contribution to minority interests             | 40(d) | –              | 15             |
| Dividends paid  | 40(d) | (314)          | (297)          |
| – to shareholders   |       | (3,093)        | (2,450)        |
| – to minority interests   | 40(d) | (593)          | (99)           |
| <b>Net cash used in financing activities</b>                        |       | <b>(6,297)</b> | <b>(3,647)</b> |
| <b>Increase in cash and cash equivalents</b>                        |       | <b>396</b>     | <b>1,075</b>   |
| Cash and cash equivalents at 1st January                            |       | 1,486          | 401            |
| Currency adjustment   |       | (5)            | 10             |
| <b>Cash and cash equivalents at 31st December</b>                   |       | <b>1,877</b>   | <b>1,486</b>   |
| <b>Represented by:</b>  |       |                |                |
| Bank balances and short-term deposits maturing within three months  |       | 1,891          | 1,500          |
| Bank overdrafts   |       | (14)           | (14)           |
|   |       | <b>1,877</b>   | <b>1,486</b>   |

The notes on pages 84 to 131 and the principal accounting policies on pages 132 to 141 form part of these accounts.