

Consolidated Cash Flow Statement

for the year ended 31 December 2005

<i>in HK\$ million</i>	2005	As restated 2004
Cash Flows from Consolidated Activities		
<i>Profit from Consolidated Activities after Net Finance Charges</i>	2,331	1,985
Net interest expense	543	268
Income from other financial assets	(157)	(404)
Depreciation	774	597
Amortisation of leasehold land	38	33
Impairment losses on other financial assets	19	71
Impairment losses on properties held for sale	77	–
Negative goodwill credited to consolidated profit and loss account	–	(126)
Disposal of properties under development	54	247
Loss on disposal of property, plant and equipment	3	1
Written off of property, plant and equipment	–	22
Change in fair value of investment properties	(520)	(181)
Change in fair value of financial instruments	(62)	–
Profit on disposal of subsidiary companies	(362)	(112)
(Profit) / loss on disposal of jointly controlled entities	(11)	4
Impairment losses on jointly controlled entities	57	2
Impairment losses on loan to an associate company	24	–
<i>Operating Profit before Working Capital Changes</i>	2,808	2,407
Decrease / (increase) in inventories	165	(552)
Increase in debtors, accounts receivable, deposits and prepayments	(813)	(41)
Decrease in creditors, accounts payable, deposits and accruals	(121)	(592)
Effect of foreign exchange rates	24	(18)
<i>Cash Generated from Consolidated Activities</i>	2,063	1,204
Interest received	57	82
Interest paid	(658)	(392)
Income taxes paid	(227)	(178)
Net Cash from Consolidated Activities	1,235	716

<i>in HK\$ million</i>	2005	As restated 2004
Cash Flows from Investing Activities		
Purchase of subsidiary companies (net of cash and cash equivalents acquired) (Note a)	63	(191)
Purchase of additional interests in subsidiary companies	(3)	(383)
Purchase of properties under development	(1,323)	(1,224)
Purchase of property, plant and equipment	(1,221)	(1,314)
Investment in jointly controlled entities	(2,051)	(3,218)
Investment in associated companies	(999)	(937)
Increase in other financial assets	(544)	(221)
Proceeds on disposal of property, plant and equipment	107	28
Proceeds on disposal of other financial assets	5	2
Proceeds on disposal of associated companies	–	2
Proceeds on disposal of interests in jointly controlled entities	186	–
Disposal of subsidiary companies (net of cash and cash equivalents disposed) (Note b)	476	105
Increase in loans to jointly controlled entities	(351)	(36)
Decrease in loans to associated companies	391	734
Dividend income from associated companies	1,113	792
Dividend income from jointly controlled entities	106	85
Income from other financial assets	1	393
Net Cash used in Investing Activities	(4,044)	(5,383)
Cash Flows from Financing Activities		
Issue of shares pursuant to the Plan	16	68
New borrowings	6,703	4,941
Repayment of loans	(1,219)	(1,020)
Decrease in minority interests	(154)	(223)
Dividends paid	(2,412)	(2,189)
Net Cash from Financing Activities	2,934	1,577
Net Increase / (Decrease) in Cash and Cash Equivalents	125	(3,090)
Cash and Cash Equivalents at 1 January	2,381	5,469
Effect of Foreign Exchange Rate Changes	18	2
Cash and Cash Equivalents at 31 December	2,524	2,381
Analysis of the Balances of Cash and Cash Equivalents		
Cash and bank deposits	2,579	2,417
Bank overdrafts (Note c)	(55)	(36)
	2,524	2,381