

Consolidated Cash Flow Statement

For the year ended 31st December 2005

Notes	2005 HK\$'000	2004 HK\$'000 (restated)
Operating activities		
Profit before taxation	13,408,911	4,037,820
Adjustments for:		
Share of results of associates	(9,250)	(7,396)
Gain on disposal of property investment subsidiaries	–	(51,862)
Gain on disposal of listed investment	–	(2,549)
Loss(profit) on disposal of property, plant and equipment	130	(48)
Interest income	(32,386)	(12,666)
Interest expenses	748,799	394,303
Dividends received from unlisted investments	–	(292)
Dividends received from listed investments	(717)	(589)
Allowance for doubtful debts	13,325	2,537
Depreciation on other property, plant and equipment	48,109	18,720
Depreciation on hotel buildings	155,481	117,557
Amortisation on prepaid lease payments	44,771	36,177
Recognition of share-based payments	7,255	2,999
Deferred initial direct cost	(6,240)	–
Fair value changes on investment properties	(12,982,057)	(3,781,275)
Fair value changes on derivative financial instruments	(258,944)	–
Fitting-out works of properties written off	11,865	45,395
Operating cash flows before movements in working capital	1,149,052	798,831
Decrease (increase) in inventories	8,062	(17,298)
Increase in debtors, deposits and prepayments	(105,718)	(40,434)
Increase in bills payables, creditors, deposits and accruals	222,329	170,273
Cash generated from operations	1,273,725	911,372
Interest paid	(737,519)	(513,134)
Hong Kong Profits Tax paid	(53,317)	(81,041)
Other jurisdictions tax paid	(27,812)	(35,131)
Other jurisdictions tax refunded	1,778	2,989
Net cash from operating activities	456,855	285,055

	Notes	2005 HK\$'000	2004 HK\$'000 (restated)
Investing activities			
Interest received		30,970	12,550
Dividends received from unlisted investments		–	292
Dividends received from listed investments		717	589
Dividends received from associates		–	2,182
Additions to investment properties		(134,141)	(1,069,520)
Additions to property, plant and equipment		(408,402)	(303,981)
Investments in associates		–	(2,649)
Advance to an associate		–	(5,235)
Advance to minority shareholders		(8,107)	(4,126)
Capital return from an other investment		–	3,897
Proceeds on disposal of investment property		291,849	192,149
Proceeds on disposal of property investment subsidiaries	34	–	174,795
Proceeds on disposal of listed investment		–	5,983
Proceeds on disposal of property, plant and equipment		29	48
Increase in pledged bank deposits		(485,742)	(4)
Net cash used in investing activities		(712,827)	(993,030)
Financing activities			
Dividends paid to shareholders		(46,232)	(34,472)
Issue of shares		18,607	6,207
Share issue expenses		(80)	(58)
New bank loans raised		5,188,186	3,039,561
Repayments of bank loans		(5,551,170)	(1,604,634)
Net cash (used in) from financing activities		(390,689)	1,406,604
(Decrease) Increase in cash and cash equivalents		(646,661)	698,629
Effect of foreign exchange rates changes		(748)	28,108
Cash and cash equivalents at the beginning of the year		1,362,793	636,056
Cash and cash equivalents at the end of the year		715,384	1,362,793
Analysis of the balance of cash and cash equivalents			
Being:			
Bank balances and cash		719,351	1,391,317
Bank overdrafts		(3,967)	(28,524)
		715,384	1,362,793