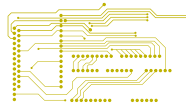




CCT



# consolidated cash flow statement

Year ended 31 December 2005

HK\$ million	Notes	2005	2004 (Restated)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		<b>271</b>	205
Adjustments for:			
Finance costs	7	<b>23</b>	6
Share of profit of an associate		—	(49)
Interest income	5	<b>(8)</b>	(5)
Depreciation	6	<b>122</b>	125
Amortisation of prepaid land lease payments	6	<b>5</b>	5
Goodwill amortisation and impairment	6	<b>7</b>	1
Amortisation of intangible assets	6	<b>30</b>	30
Bad and doubtful debt provisions on trade receivables	6	<b>15</b>	3
Provisions for and write-off of prepayment and other receivables	6	—	33
Write off of deferred development costs	6	<b>8</b>	15
Write off of items of property, plant and equipment	6	<b>1</b>	2
Loss/(gain) on disposal of items of property, plant and equipment, net	6	<b>1</b>	(1)
Impairment loss on items of property, plant and equipment	6	<b>1</b>	—
Write-down of inventories to net realisable value	6	<b>8</b>	36
Fair value loss on financial assets at fair value through profit or loss	6	<b>2</b>	—
Impairment loss on available-for-sale financial assets	6	<b>2</b>	—
Reversal of impairment losses for properties	6	<b>(66)</b>	—
Gain on disposal and deemed disposal of interest in an associate	6	<b>(109)</b>	—
Net gain on disposal/deemed disposal of subsidiaries	6	<b>(42)</b>	(10)
Operating profit before working capital changes		<b>271</b>	396
Increase in inventories		<b>(87)</b>	(77)
Increase in trade and bills receivables		<b>(59)</b>	(149)
Decrease/(increase) in prepayments, deposits and other receivables		<b>(19)</b>	3
Increase in trade and bills payables and other payables and accruals		<b>94</b>	47
Cash generated from operations		<b>200</b>	220
Interest received		<b>8</b>	5
Interest paid		<b>(18)</b>	(6)
Hong Kong profits tax paid		<b>(16)</b>	(16)
Net cash inflow from operating activities		<b>174</b>	203

HK\$ million	Notes	2005	2004 (Restated)
Net cash inflow from operating activities		<b>174</b>	203
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchases of items of property, plant and equipment		<b>(197)</b>	(232)
Proceeds from disposal of items of property, plant and equipment		<b>4</b>	85
Purchases of investment properties		<b>—</b>	(95)
Proceeds from disposal of investment properties		<b>3</b>	1
Additions to intangible assets		<b>(55)</b>	(50)
Disposal of subsidiaries	38	<b>—</b>	7
Disposal of interest in an associate		<b>96</b>	—
Acquisition of minority interests		<b>(144)</b>	(1)
Purchase of financial assets at fair value through profit or loss		<b>(16)</b>	—
Decrease/(increase) in pledged time deposits		<b>46</b>	(17)
Net cash outflow from investing activities		<b>(263)</b>	(302)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of shares		<b>31</b>	—
Proceeds from disposal of convertible note		<b>—</b>	45
New bank loans		<b>117</b>	340
Net new/(repayment of) trust receipts loans		<b>(2)</b>	102
Repayment of bank loans		<b>(72)</b>	(374)
Capital element of finance lease rental payments		<b>(7)</b>	(3)
Dividends paid		<b>(220)</b>	(52)
Net cash inflow/(outflow) from financing activities		<b>(153)</b>	58
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(242)</b>	(41)
Cash and cash equivalents at beginning of year		<b>832</b>	873
Effect of initial adoption of HKAS 39		<b>(62)</b>	—
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b>528</b>	832
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances	27	<b>411</b>	398
Non-pledged time deposits with original maturity of less than three months when acquired		<b>117</b>	434
		<b>528</b>	832