

Consolidated Cash Flow Statement

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for the year ended 31st December, 2005

	2005 HK\$'000	2004 HK\$'000 (Restated)
Operating activities		
Profit for the year	1,426,767	1,102,654
Adjustments for:		
Taxation	170,042	151,472
Other finance cost	102,245	49,386
Bad and doubtful debts	89,718	147,837
Depreciation of property, plant and equipment	34,446	31,405
Impairment loss recognised in respect of available-for-sale financial assets	14,411	–
Impairment loss recognised in respect of goodwill of associates	13,323	–
Impairment loss recognised in respect of an associate	4,981	–
Amortisation of prepaid land lease payments	4,540	3,414
Impairment loss recognised in respect of property, plant and equipment	3,680	–
Amortisation of intangible assets	3,662	2,701
Loss (profit) on partial disposal of subsidiaries	1,423	(789)
Impairment loss recognised in respect of intangible assets	980	–
Loss on disposal of property, plant and equipment	662	589
Impairment loss recognised in respect of goodwill of a subsidiary	267	–
Increase in fair value of investment properties	(489,975)	(55,819)
Share of results of associates	(150,388)	(165,856)
Share of results of jointly controlled entities	(105,298)	(25,706)
Profit on disposal of available-for-sale financial assets	(57,473)	–
Reversal of write down of properties held for sale	(47,452)	(22,924)
Reversal of impairment loss of properties held for development	(34,700)	(3,000)
Excess of net fair value of consideration arising from acquisition of additional interest in subsidiaries	(5,652)	–
Reversal of impairment loss of buildings	(4,284)	(4,314)
Net unrealised profit on financial assets at fair value through profit or loss	(4,697)	–
Profit on disposal of an investment property	(2,061)	–
Profit on disposal of a jointly controlled entity	(1,219)	–
Reversal of impairment loss of intangible assets	(320)	–
Excess of net fair value of consideration arising from acquisition of subsidiaries	(199)	–
Impairment recognised in respect of non-trading securities	–	16,418
Premium on acquisition of loan receivables of consumer finance customers	–	12,016
Amortisation of goodwill	–	7,142
Loss on dilution of interest in an associate	–	4,492
Net unrealised loss on trading securities	–	1,174
Loss on write off of intangible assets	–	96
Release of negative goodwill	–	(257,610)
Amortisation of capital reserve	–	(37,425)
Profit on repurchase of loan notes	–	(11,219)
Profit on disposal of subsidiaries	–	(8,647)
Profit on disposal of non-trading securities	–	(2,483)
Loss on deemed disposal of a jointly controlled entity	–	(942)
Operating cash flow before movements in working capital	967,429	934,062

Consolidated Cash Flow Statement (Cont'd)

for the year ended 31st December, 2005

	Notes	2005 HK\$'000	2004 HK\$'000 (Restated)
Decrease in properties held for sale and other inventories		7	20,741
Increase in financial assets at fair value through profit or loss		(122,309)	–
Increase in trading securities		–	(15,196)
Increase in loans and advances to consumer finance customers		(597,605)	(370,252)
(Increase) decrease in accounts receivable, deposits and prepayments		(290,473)	400,705
Increase in loans and receivables		–	(3,200)
Increase in financial liabilities at fair value through profit or loss		17,756	–
Decrease in accounts payable and accrued charges		(68,201)	(496,632)
Decrease in other liabilities		(9,386)	(3,051)
Cash (used in) generated from operations		(102,782)	467,177
Hong Kong Profits Tax paid		(146,273)	(106,307)
Interest paid		(87,734)	(49,132)
Tax outside Hong Kong paid		(341)	(248)
Net cash (used in) from operating activities		(337,130)	311,490
Investing activities			
Proceeds on disposal of available-for sale financial assets		115,403	–
Proceeds on disposal of partial interests in a subsidiary		41,278	–
Proceeds on disposal of an investment property		14,661	–
Amounts repaid by associates		13,063	254,750
Dividend received from associates		8,162	6,182
Decrease in available-for-sale financial assets		5,620	–
Amount repaid by a jointly controlled entity		2,751	2,770
Decrease in pledged bank deposits		248	267
Proceeds on disposal of property, plant and equipment		225	139
Acquisition of subsidiaries (net of cash and cash equivalent acquired)	45	(124,688)	(125,239)
Purchase of property, plant and equipment		(34,644)	(31,377)
Addition to intangible assets		(8,392)	(6,091)
Acquisition of associates		(5,592)	(102,350)
Net payment of statutory deposits		(4,472)	–
Acquisition of additional interest in subsidiaries		(3,563)	(1,132)
Amount advanced to a jointly controlled entity		(2,870)	(3,772)
Addition to investment properties		(780)	(110)
Purchase of available-for-sale financial assets		(705)	–
Amount advanced to an associate		(6)	(2)
Proceeds on disposal of non-trading securities		–	40,510
Purchase of non-trading securities		–	(32,285)
Addition to properties held for development		–	(14,186)
Acquisition of a jointly controlled entity		–	(2,294)
Amounts advanced to an investee company		–	(1,950)
Disposal of subsidiaries (net of cash and cash equivalent disposed of)	46	–	–
Net cash from (used in) investing activities		15,699	(16,170)

Consolidated Cash Flow Statement (Cont'd)

for the year ended 31st December, 2005

	2005 HK\$'000	2004 HK\$'000 (Restated)
Financing activities		
New bank and other borrowings raised	1,255,000	740,500
Amounts advanced by associates	426	–
Repayment of bank and other borrowings	(672,883)	(684,126)
Dividends paid by subsidiaries to minority interests	(160,406)	(134,841)
Amounts paid on share repurchase	(68,726)	(35,370)
Repurchase of loan notes	(60,000)	(139,024)
Dividend paid	(38,838)	–
Net distribution to minority interests	(48)	(33)
Amount advanced by a jointly controlled entity	–	29,500
Net proceeds received from issue of shares by a subsidiary	–	27,831
Repayment of obligations under a finance lease	–	(890)
Amount repaid to associates	–	(148)
Amount repaid to a jointly controlled entity	–	(95)
Net cash from (used in) financing activities	254,525	(196,696)
Net (decrease) increase in cash and cash equivalents	(66,906)	98,624
Effect of foreign exchange rate changes	(78)	12
Cash and cash equivalents at the beginning of the year	706,461	607,825
Cash and cash equivalents at the end of the year	639,477	706,461
Analysis of the balances of cash and cash equivalents		
Bank deposits, bank balances and cash	732,173	765,765
Bank overdrafts	(92,696)	(59,304)
	639,477	706,461