

Consolidated Cash Flow Statement

Year ended
31 December 2005

	Notes	2005 RMB'000	2004 RMB'000 (Restated)
Cash flows from operating activities			
Profit before tax		858,918	709,303
Adjustments for:			
Depreciation	5	6,120	4,561
Goodwill impairment	5	18,609	—
Share of profits less losses of associates		(2,996)	(139,358)
Interest expenses, net	5	245	1,518
Interest income	4	(1,771)	(4,560)
Loss on disposal of property and equipment	5	114	216
Loss on disposal of an available-for-sale investment		—	429
Gain on disposal of equity interest in subsidiaries	4	(32,560)	—
Excess over the cost of business combinations recognised as income	4	(216,252)	(14,424)
Goodwill amortisation	5	—	621
Cash inflow before working capital changes		630,427	558,306
Increase in trade receivables		(44,006)	(4,160)
Increase in properties under development		(1,613,972)	(713,507)
Decrease/(increase) in completed properties for sale		(131,811)	22,466
Decrease/(increase) in prepayments, deposits and other receivables		518,677	(509,864)
Decrease in amounts due from related companies		—	13,228
Increase/(decrease) in trade payables		858,798	(189,388)
Increase/(decrease) in advance from customers		(260,770)	511,759
Increase/(decrease) in accrued liabilities and other payables		(1,147,966)	403,233
Decrease in amounts due to related companies		—	(255,575)
Cash used in operations		(1,190,623)	(163,502)
Interest paid		(77,226)	(49,087)
PRC income tax paid		(275,040)	(231,143)
Net cash outflow from operating activities		(1,542,889)	(443,732)

	Notes	2005 RMB'000	2004 RMB'000 (Restated)
Net cash outflow from operating activities		(1,542,889)	(443,732)
Cash flows from investing activities			
Purchases of property and equipment	12	(10,149)	(12,120)
Proceeds from disposal of property and equipment		130	579
Investments in associates		(2,800)	(48,300)
Interest received		1,771	4,560
Dividend received from an associate		50,793	68,086
Acquisition of minority interests		(48,904)	(4,750)
Acquisition of subsidiaries	27	(200,939)	(38,554)
Decrease/(increase) in amounts due from associates		130,565	(153,748)
Increase in amounts due to associates		10,123	40,675
Decrease/(increase) in amount due from a jointly controlled entity		(34,892)	5,304
Proceeds from disposal of equity interests in subsidiaries		89,004	—
Purchase of an available-for-sale investment		—	(250)
Proceeds from disposal of an available-for-sale investment		—	408
Net cash outflow from investing activities		(15,298)	(138,110)
Cash flows from financing activities			
New bank loans		2,029,500	594,000
New other loans		413,000	34,816
Repayment of bank loans		(1,074,770)	(1,042,800)
Repayment of other loans		(34,816)	—
Dividends paid		(305,940)	(132,407)
Proceeds from issue of shares		438,535	1,817,235
Share issue expenses		(8,877)	(119,423)
Dividends paid to minority shareholders		(13,225)	(26,539)
Investments from minority shareholders		—	26,830
Net cash inflow from financing activities		1,443,407	1,151,712
Net increase/(decrease) in cash and cash equivalents		(114,780)	569,870
Cash and cash equivalents at beginning of year		1,037,815	467,945
Cash and cash equivalents at end of year		923,035	1,037,815
Analysis of balances of cash and cash equivalents			
Cash and bank balances		923,035	1,037,815