

Cash Flow Statement

For the year ended 20th February 2006

	2006 HK\$'000	2005 HK\$'000 (restated)
OPERATING ACTIVITIES		
Profit before tax	225,579	177,284
Adjustments for:		
Interest income	(22,564)	–
Interest expense	106,267	85,421
Dividends received on available-for-sale investments/ investment securities	(428)	(433)
Net loss on disposal of property, plant and equipment	558	443
Unrealised gain on revaluation of investments held for trading/ other investments	(1,138)	(542)
Impairment loss recognised on investment securities	–	1,350
Gain on derivative financial instruments	(4,110)	–
Depreciation	41,143	31,240
Reversal of impairment allowances/allowance for bad and doubtful debts	(45,992)	(16,235)
Share of results in associates	(340)	4,331
Gain on deemed disposal of an associate	–	(3,863)
Operating cash flows before movements in working capital	298,975	278,996
Decrease in amount due from an associate	91	155
Decrease (increase) in hire purchase debtors	94,125	(53,874)
Increase in instalment loans receivable	(105,559)	(328,998)
(Increase) decrease in credit card receivables	(1,102,460)	41,224
Decrease (increase) in retained interests in securitisation trust	480,861	(22,219)
(Increase) decrease in prepayments, deposits, interest receivable and other debtors	(20,195)	25,056
Increase in creditors and accrued charges	338	38,372
(Decrease) increase in amount due to securitisation trust	(45,855)	4,198
(Decrease) increase in amount due to immediate holding company	(4,440)	3,477
(Decrease) increase in amount due to a fellow subsidiary	(6,057)	8,526
Increase in amount due to ultimate holding company	2	3
Cash used in operations	(410,174)	(5,084)
Tax paid	(29,261)	(43,777)
Interest paid	(109,629)	(85,386)
NET CASH USED IN OPERATING ACTIVITIES	(549,064)	(134,247)
INVESTING ACTIVITIES		
Dividends received	428	433
Proceeds from disposal of property, plant and equipment	3	2
Increase in cash reserve retained in securitisation trust	–	(1,750)
Purchase of property, plant and equipment	(54,055)	(43,932)
Increase in available-for-sale investments	(14,092)	–
NET CASH USED IN INVESTING ACTIVITIES	(67,716)	(45,247)

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For the year ended 20th February 2006

	2006 HK\$'000	2005 HK\$'000 (restated)
FINANCING ACTIVITIES		
New bank loans raised	8,552,700	9,599,800
Repayment of bank loans	(8,370,900)	(9,370,200)
Increase in issued debt securities	587,452	–
Dividends paid	(71,190)	(60,718)
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NET CASH FROM FINANCING ACTIVITIES	698,062	168,882
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NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	81,282	(10,612)
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CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	96,155	106,767
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CASH AND CASH EQUIVALENTS AT END OF THE YEAR	177,437	96,155
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Being:		
Time deposits	107,071	–
Bank balances and cash	72,445	97,511
Bank overdrafts	(2,079)	(1,356)
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	177,437	96,155
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