

Consolidated Cash Flow Statement

Year ended 31 March 2006

	Notes	2006 HK\$'000	2005 HK\$'000 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		82,063	73,786
Adjustments for:			
Finance costs	7	15,252	4,956
Share of losses of associates		39,601	16,655
Fair value gains, net			
Financial assets at fair value through profit or loss	5	(2,346)	(375)
Convertible notes due from an associate	5	(1,070)	–
Gain on redemption of convertible notes due from an associate	5	(2,460)	–
Interest income from investments	5	(2,258)	(2,373)
Bank interest income	5	(5,365)	(2,916)
Dividend income from listed securities	5	(647)	(405)
Gain on disposal of subsidiaries	36(c)	(1,221)	(26,975)
Loss on disposal of interests in associates		–	20,874
Recognition of deferred gain	5	(3,794)	–
Gain on disposal of financial assets at fair value through profit or loss, net	5	(3,421)	(1,907)
Loss/(gain) on disposal of investment properties	5	241	(7,335)
Excess over the cost of acquisition of additional interest in an associate		(99,268)	(35,024)
Provision for impairment of trade receivables	6	462	656
Provision for impairment of available-for-sale investments/long term investments	6	–	15,299
Depreciation	6, 14	10,055	12,109
Loss on disposal/write-off of property, plant and equipment	6	8,270	29
Fair value gains on revaluation of investment properties	15	(1,822)	(23,003)
Operating profit before working capital changes		32,272	44,051
Decrease in trade receivables, prepayments, deposits and other receivables		4,853	682
Decrease in inventories		5	3
Increase in properties held for sale		(17,512)	–
Increase in properties under development		(172,491)	(190,000)
Increase/(decrease) in trade payables, other payables and accruals		15,292	(5,557)
Increase in deposits received and receipts in advance		14,149	2,171
Decrease in provisions for onerous contracts	6, 30	(6,234)	(5,404)
Cash generated used in operations		(129,666)	(154,054)
Hong Kong profits tax paid		(3,115)	(4,395)
Net cash outflow from operating activities		(132,781)	(158,449)

Consolidated Cash Flow Statement (Cont'd)

Year ended 31 March 2006

	Notes	2006 HK\$'000	2005 HK\$'000 (Restated)
Net cash outflow from operating activities		(132,781)	(158,449)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		4,637	3,323
Dividend income from listed securities		647	405
Interest income from investments		2,258	2,373
Decrease in amounts due from associates		202	74
Increase in amounts due to associates		111	15
Acquisitions of subsidiaries	36(b)	(3,000)	(943)
Acquisitions of additional interest in an associate		(87,672)	(85,872)
Net inflow of cash and cash equivalents in respect of the disposal of subsidiaries	36(c)	17,240	96,133
Increase in other deposits		(10,000)	(30,603)
Purchases of investment properties		(110,668)	(197,802)
Purchases of property, plant and equipment		(1,518)	(5,565)
Proceeds from disposal of investment properties		33,667	115,135
Proceeds from disposal of property, plant and equipment		72	62
Proceeds from disposal of an available-for-sale investment		7,751	17,343
Proceeds from disposal of financial assets at fair value through profit or loss		104,547	(28,187)
Settlement of loans to an associate		-	7,000
Settlement of convertible notes due from an associate		16,000	56,500
Purchases of financial assets at fair value through profit or loss		(75,807)	(43,441)
Increase in pledged deposits		(6,248)	(7,723)
Net cash outflow from investing activities		(107,781)	(101,773)
CASH FLOWS FROM FINANCING ACTIVITIES			
Interest paid		(16,774)	(5,198)
Dividends paid		(29,190)	(14,332)
Proceeds from issue of shares	33	11,528	-
Proceeds from issue of convertible notes	31	-	98,620
Convertible note issue expenses		-	(3,143)
Repayment of bank loans		(170,920)	(75,322)
New bank loans		438,880	275,172
Net cash inflow from financing activities		233,524	275,797

Consolidated Cash Flow Statement (Cont'd)

Year ended 31 March 2006

	Notes	2006 HK\$'000	2005 HK\$'000 (Restated)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(7,038)	15,575
Cash and cash equivalents at beginning of year		304,940	289,365
CASH AND CASH EQUIVALENTS AT END OF YEAR		297,902	304,940
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	26	67,454	43,300
Non-pledged time deposits with original maturity of less than three months when acquired	26	230,448	261,640
		297,902	304,940