

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 March 2006
(Expressed in Hong Kong dollars)

	Note	Year ended 31 March 2006		Period from 1 January 2004 to 31 March 2005 (restated)	
		\$'000	\$'000	\$'000	\$'000
Operating activities					
Profit before taxation			78,539		241,206
Adjustments for:					
– Interest charges			35,601		11,235
– Interest income			(11,285)		(4,339)
– Dividend income			–		(2,964)
– Share of profits less losses of associates			(5,547)		16,391
– Share of loss of a jointly controlled entity			5,101		1,420
– Amortisation and depreciation			13,464		15,738
– Gain on repurchase of convertible notes			(24,930)		–
– Loss on disposal of interest in subsidiaries			2,059		2,447
– Loss/(gain) on disposal/deemed disposal of interest in associates			987		(2,212)
– Excess of interest in fair values of the subsidiaries' identifiable net assets over cost of acquisition			(1,141)		–
– Gain on disposal of property, plant and equipment			(1,189)		(33,510)
– Net valuation losses/(gains) on investment properties			1,040		(878)
– Net realised/unrealised losses/(gains) on trading securities			5,358		(53,182)
– Provision/(write-back of provision) for impairment loss on available-for-sale securities			7,506		(78,893)
– Gain on disposal of available-for-sale securities			(17,267)		–
– Impairment loss on positive goodwill			–		3,518
– Derecognition of negative goodwill			–		(2,928)
– Provision for diminution in value of a property held for sale			3,720		3,722
– Reversal of impairment loss on properties			(1,958)		(10,102)
– Provision for other receivables			19,266		10,943
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Operating profit before changes in working capital			109,324		117,612

CONSOLIDATED CASH FLOW STATEMENT *(Continued)*

for the year ended 31 March 2006
(Expressed in Hong Kong dollars)

	Note	Year ended 31 March 2006		Period from 1 January 2004 to 31 March 2005 (restated)	
		\$'000	\$'000	\$'000	\$'000
(Increase)/decrease in amounts due from/to associates (net)		(4,960)		4,482	
Decrease/(increase) in inventories		23,108		(10,457)	
Decrease/(increase) in debtors, prepayments and other receivables		24,796		(200,788)	
Decrease/(increase) in gross amount due from customers for contract work		11,486		(6,856)	
Decrease/(increase) in pledged deposits		33,670		(18,285)	
Decrease/(increase) in amounts due from related companies		10,205		(5,672)	
(Decrease)/increase in creditors, accruals and other payables		(19,185)		72,018	
(Decrease)/increase in amounts due to related companies		(2,037)		3,548	
Foreign exchange		9,657		790	
			86,740		(161,220)
Cash generated from/(used in) operations			196,064		(43,608)
Tax paid:					
– Hong Kong Profits Tax paid		–		(20)	
– PRC tax refund/(paid) (net)		1,993		(5,472)	
Interest received		11,285		4,339	
			13,278		(1,153)
Net cash generated from/(used in) operating activities			209,342		(44,761)

CONSOLIDATED CASH FLOW STATEMENT *(Continued)*

for the year ended 31 March 2006
(Expressed in Hong Kong dollars)

		Year ended 31 March 2006		Period from 1 January 2004 to 31 March 2005 (restated)	
	Note	\$'000	\$'000	\$'000	\$'000
Investing activities					
Acquisition of subsidiaries	38(a)	67		(321,741)	
Acquisition of additional equity interest in a subsidiary	38(a)	-		(369)	
Deposit for acquisition of a subsidiary		-		(75,823)	
Disposal of interests in subsidiaries	38(d)	(6,832)		(2,643)	
Purchase of fixed assets		(23,427)		(19,630)	
Proceeds from sale of property, plant and equipment		3,786		42,864	
Proceeds from sale of an associate		5,776		-	
Purchase of investments		(113,943)		(92,395)	
Proceeds from disposal of investments		195,176		1,126,399	
Acquisition of associates		(98,888)		(8,388)	
Disposal of interest in an associate		-		3,840	
Advance to a jointly controlled entity		-		(86,502)	
Net cash (used in)/from investing activities			(38,285)		565,612
Financing activities					
Interest paid		(17,742)		(11,235)	
Dividends paid		(19,642)		(43,188)	
Dividends paid to minority shareholders		(64,102)		(554,372)	
Issue of shares through exercise of share options		-		4,760	
Issue of convertible notes		-		180,000	
Expenses paid in connection with share issues and conversion of convertible notes		(19)		(152)	
Shares repurchased		(838)		-	
Repurchase of convertible notes		(82,496)		-	
New other loan		116,385		-	
Repayment of other loan		-		(116,970)	
New bank loans		2,670		31,103	
Repayment of bank loans		(35,884)		(31,162)	
Net cash used in financing activities			(101,668)		(541,216)

CONSOLIDATED CASH FLOW STATEMENT *(Continued)*

for the year ended 31 March 2006
(Expressed in Hong Kong dollars)

	Note	Year ended 31 March 2006		Period from 1 January 2004 to 31 March 2005 (restated)	
		\$'000	\$'000	\$'000	\$'000
Net increase/(decrease) in cash and cash equivalents			69,389		(20,365)
Effect on foreign exchange rate changes			7,862		1,341
Cash and cash equivalents at 1 April 2005/ 1 January 2004			504,510		523,534
Cash and cash equivalents at 31 March	28		581,761		504,510

The notes on pages 46 to 134 form part of these financial statements.