

Consolidated Cash Flow Statement

For the year ended 31 March 2006

	2006 HK\$'000	2005 HK\$'000 (restated)
Operating activities		
Profit before taxation	62,237	59,801
Adjustments for:		
Finance costs	15,002	3,279
Share of results of jointly controlled entities	(21,219)	(16,430)
Interest income	(1,361)	(907)
Dividend income from investments held for trading	(146)	–
Dividend income from other investments	–	(61)
Depreciation and amortisation	3,012	20,325
Release of prepaid lease payments	682	682
Increase in fair value of investment properties	(10,154)	–
Increase in fair value of investments held for trading	(1,379)	–
Loss on disposal of property, plant and equipment	811	1,700
(Gain) loss on disposal of investment properties	(6,948)	2,033
Gain on disposal of available-for-sale investments	(400)	–
Unrealised holding loss on other investments	–	285
Net gain on cessation of a jointly controlled entity	(6,899)	–
Gain on disposal of a subsidiary	–	(5,430)
Operating cash flows before movements in working capital	33,238	65,277
Decrease (increase) in amounts due from (to) customers for contract work	56,459	(61,985)
(Increase) decrease in debtors, deposits and prepayments	(144,267)	150,870
Increase in properties under development	(289,129)	(578,056)
Decrease in properties held for sale	–	15,493
Increase in amounts due from associates	(155)	(540)
Decrease (increase) in amounts due from jointly controlled entities	8,589	(29,193)
Increase (decrease) in creditors, deposits and accrued charges	84,128	(100,353)
Increase in deposits received from pre-sales of properties under development	238,224	138,590
(Decrease) increase in amounts due to jointly controlled entities	(12,719)	14,270
Cash used in operations	(25,632)	(385,627)
Hong Kong Profits Tax paid	(10,834)	(12,234)
Foreign Enterprise Income Tax in the People's Republic of China ("PRC") paid	(279)	(693)
Net cash used in operating activities	(36,745)	(398,554)

Consolidated Cash Flow Statement / continued

For the year ended 31 March 2006

	Note	2006 HK\$'000	2005 HK\$'000 (restated)
Investing activities			
Costs incurred in properties under development		(49,762)	(55,788)
Purchase of property, plant and equipment		(9,574)	(11,357)
Capital injected to a jointly controlled entity		(4,655)	–
Decrease in pledged bank deposits		28,453	24,259
Proceeds from disposal of investment properties		20,451	21,485
Dividends received from jointly controlled entities		2,500	21,750
Interest received		1,361	907
Proceeds from disposal of investments held for trading		1,218	–
Proceeds from disposal of property, plant and equipment		994	3,116
Proceeds from disposal of available-for-sale investments		900	–
Dividend received from investments held for trading		146	–
Acquisition of investments in associates		–	(42,782)
Increase in other investments		–	(3,410)
Disposal of a subsidiary	34	–	7,423
Redemption of other investment		–	5,000
Proceeds from disposal of investment securities		–	501
Dividend received from other investments		–	61
Net cash used in investing activities		(7,968)	(28,835)
Financing activities			
New bank loans raised		580,314	561,698
Repayment of bank loans		(266,083)	(224,617)
Interest paid		(58,516)	(18,804)
(Decrease) increase in trust receipt loans		(56,949)	66,352
Dividends paid		(16,753)	(28,753)
Repayment of principal portion of obligations under finance leases		(5,875)	(14,877)
Repayment of mortgage loans		(3,988)	(3,132)
Proceeds from issue of shares		–	9,456
Capital contributed by minority shareholders		–	85
Net cash from financing activities		172,150	347,408
Net increase (decrease) in cash and cash equivalents		127,437	(79,981)
Cash and cash equivalents at beginning of the year		203,455	282,840
Effect of foreign exchange rate change		(1,162)	596
Cash and cash equivalents at end of the year, represented by bank balances and cash		329,730	203,455