



Consolidated Cash Flow Statement *For the year ended 31 March 2006*

Amounts expressed in HK\$ million

	2006	2005 (restated)
OPERATING ACTIVITIES		
Profit before taxation	255	245
Adjustments for:		
Finance costs	3	22
Dividend income	–	(3)
Interest income	(10)	(25)
Share-based payment expenses	28	22
Depreciation of property, plant and equipment	120	109
Amortisation of prepaid lease payments on land use rights	1	1
Change in fair value of held-for-trading investments	(7)	–
Provision (reversal) for warranty	28	(8)
Loss on disposal of property, plant and equipment	1	1
Net realised loss on disposal of investments in securities	–	2
Impairment loss recognised in respect of available-for-sale investments	3	3
Gain on disposal of subsidiaries	(3)	–
Write back of amount due to an associate	–	(12)
Write off of interest in an associate	–	10
Share of results of jointly controlled entities	(1)	11
Operating cash flows before movements in working capital	418	378
Increase in inventories	(68)	(343)
(Increase) decrease in trade and other receivables	(227)	28
Increase in bills receivable	(353)	(462)
Decrease (increase) in amount due from a jointly controlled entity	7	(3)
Increase in trade and other payables	1,078	510
(Decrease) increase in bills payable	(973)	811
Decrease in amount due to a jointly controlled entity	(1)	–
Increase in deferred income	11	–
Cash (used in) generated from operations	(108)	919
PRC income tax paid	(25)	(26)
Other PRC taxes paid	(39)	(37)
Other PRC taxes refunded	9	–
NET CASH (USED IN) FROM OPERATING ACTIVITIES	(163)	856



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	<i>Note</i>	2006	2005 (restated)
INVESTING ACTIVITIES			
Dividend received		–	3
Interest received		10	25
Purchase of property, plant and equipment		(418)	(136)
Proceeds on disposal of property, plant and equipment		1	1
Disposal of subsidiaries	39	11	–
Acquisition of additional interest in a subsidiary		–	(4)
Cash investment in a jointly controlled entity		(15)	–
Repayment of amount due from a jointly controlled entity		–	4
Purchase of available-for-sale investments		(11)	–
Purchase of held-for-trading investments		(1)	(3)
Proceeds on disposal of held-for-trading investments		4	50
Decrease (increase) in pledged bank deposits		1,017	(1,055)
NET CASH FROM (USED IN) INVESTING ACTIVITIES		598	(1,115)
FINANCING ACTIVITIES			
Interest paid		(8)	(22)
Dividends paid		(147)	(52)
Issue of shares for cash		8	12
Repayment of mortgage loans		(1)	(2)
New bank loans		163	–
Repayment of short-term bank loans		–	(1)
Drawdown of syndicated loan		–	78
Repayment of syndicated loan		–	(78)
Funds arisen from discounted bills with recourse		357	3,023
Repayment of funds arisen from discounted bills with recourse upon maturity		(971)	(2,258)
Capital contributed by minority shareholders		–	1
NET CASH (USED IN) FROM FINANCING ACTIVITIES		(599)	701
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		(164)	442
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		885	445
EFFECT OF FOREIGN EXCHANGE RATE CHANGES		39	(2)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		760	885
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS			
Bank balances and cash		760	885