

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December 2006
(Expressed in millions of Hong Kong dollars)

	note	2006	2005
Net cash inflow from operating activities	53(a)	53,541	26,840
Cash flows from investing activities			
Dividends received from associates		33	75
Purchase of available-for-sale investments		(101,258)	(48,780)
Purchase of held-to-maturity debt securities		(351)	(190)
Proceeds from sale or redemption of available-for-sale investments		69,279	21,888
Proceeds from sale or redemption of held-to-maturity debt securities		38	33
Purchase of fixed assets and intangible assets		(379)	(167)
Proceeds from sale of fixed assets and assets held for sale		3,130	186
Interest received from available-for-sale investments		6,557	4,495
Dividends received from available-for-sale investments		45	58
Net cash outflow from investing activities		(22,906)	(22,402)
Cash flows from financing activities			
Dividends paid		(9,942)	(9,942)
Interest paid for subordinated liabilities		(332)	(58)
Proceeds from subordinated liabilities		3,489	4,478
Net cash outflow from financing activities		(6,785)	(5,522)
Increase/(decrease) in cash and cash equivalents		23,850	(1,084)
Cash and cash equivalents at 1 January		65,513	67,051
Effect of foreign exchange rate changes		912	(454)
Cash and cash equivalents at 31 December	53(b)	90,275	65,513

The notes on pages 94 to 196 form part of these financial statements.