

Consolidated Cash Flow Statement

For the year ended 31 December 2006

Note	2006 HK\$'000	2005 HK\$'000
Operating activities		
Profit before taxation	3,797,881	5,175,884
Adjustments for:		
Finance costs	162,762	214,585
Share of results of associates	(120,053)	(241,358)
Interest income	(18,075)	(2,914)
Dividend income	(41,101)	(33,714)
Depreciation	6,738	5,787
Amortisation of prepaid lease payments	163	163
Share-based payment	4,382	2,171
Loss on disposal of property, plant and equipment	432	9
Revaluation deficit (reversal of revaluation deficit) on building for own use	58	(65)
Fair value changes on investment properties	(2,575,611)	(4,226,005)
Fair value changes on financial instruments	(31,395)	24,777
Net realised gain on disposal of available-for-sale investments	(170,277)	–
Recovery of a loan to an associate	(87,043)	–
Operating cash flows before movements in working capital	928,861	919,320
Decrease in accounts receivable and other receivables	28,370	15,991
(Decrease)/increase in accounts payable and accruals	(6,920)	6,036
Increase in rental deposits from tenants	29,087	10,527
Cash generated from operations	979,398	951,874
Hong Kong profits tax paid	(61,597)	(111,418)
Net cash from operating activities	917,801	840,456
Investing activities		
Interest received	22,983	2,228
Dividends received from available-for-sale investments	37,376	30,564
Additions to available-for-sale investments	(92,240)	–
Additions to property, plant and equipment	(5,555)	(6,811)
Additions to investment properties	(81,465)	(370,387)
Proceeds on disposal of available-for-sale investments	187,465	–
Proceeds on disposal of property, plant and equipment	60	–
Proceeds on disposal of investment properties	1,491	41,569
Repayment from associates	258	–
Repayment from investees	18,562	17,390
Recovery of a loan to an associate	87,043	–
Proceeds on disposal of subsidiaries	–	2,679,567
Net cash from investing activities	175,978	2,394,120

	2006 HK\$'000	2005 HK\$'000
Financing activities		
Share issue expenses	(32)	(40)
Interest paid	(135,359)	(188,181)
Bank charges	(7,379)	(10,079)
Medium Term Note Programme expenses	(1,083)	(972)
Other finance costs	-	(890)
Dividends paid	(435,696)	(363,539)
Dividends paid to minority shareholders of subsidiaries	(46,765)	(43,300)
New unsecured bank loans	-	10,000
Repayment of unsecured bank loans	(1,336,500)	(1,455,600)
Purchase of fixed rate notes	(150,411)	-
Net proceeds from issue of zero coupon notes	-	197,615
Proceeds on exercise of share options	2,934	-
Net cash used in financing activities	(2,110,291)	(1,854,986)
Net (decrease) increase in cash and cash equivalents	(1,016,512)	1,379,590
Cash and cash equivalents at 1 January	1,401,514	21,924
Cash and cash equivalents at 31 December	385,002	1,401,514
Analysis of the balances of cash and cash equivalents		
Time deposits	381,971	1,401,230
Cash and bank balances	3,031	284
	385,002	1,401,514