

Consolidated Cash Flow Statement

For the year ended 31 December 2006

	Note	GROUP	
		2006 US\$'000	2005 US\$'000
OPERATING ACTIVITIES			
Cash generated from operations	(a)	420,846	358,206
Interest paid		(190,305)	(144,202)
Interest received		6,998	8,138
Income tax paid		(2,077)	(2,170)
Net cash inflow from operating activities		235,462	219,972
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(828,522)	(668,997)
Proceeds from sale of property, plant and equipment		122,824	186
Cash and bank balances of a subsidiary disposed of	(b)	(381)	—
Acquisition of additional equity investment in an associate, Resorts World at Sentosa Pte. Ltd.		(5,857)	—
Payment of additional purchase consideration for NCLH acquisition		—	(7,654)
Others		—	(1,139)
Net cash outflow from investing activities		(711,936)	(677,604)
FINANCING ACTIVITIES			
Proceeds from long-term borrowings		1,864,557	715,696
Principal repayments of long-term borrowings		(1,444,313)	(373,401)
Proceeds from rights issue, net of issuance costs of approximately US\$2.0 million		204,128	—
Proceeds from issuance of ordinary shares pursuant to the Pre-listing Employee Share Option Scheme		33	1,874
Proceeds from excess rights issue application		98,843	—
Payment of loan arrangement fees		(18,315)	(16,211)
Restricted cash, net		45,308	(19,514)
Others, net		—	(3,103)
Net cash inflow from financing activities		750,241	305,341
Effect of exchange rate changes on cash and cash equivalents and bank overdraft		5,696	(1,038)
Net increase/(decrease) in cash and cash equivalents and bank overdraft		279,463	(153,329)
Cash and cash equivalents and bank overdraft at beginning of year	23	187,698	341,027
Cash and cash equivalents and bank overdraft at end of year	23	467,161	187,698
NON-CASH INVESTING ACTIVITY			
Acquisition of motor vehicles by means of finance lease		8,379	10,310

Notes to Consolidated Cash Flow Statement

(a) Cash generated from operations

	GROUP	
	2006 US\$'000	2005 US\$'000
OPERATING ACTIVITIES		
Profit/(Loss) before taxation	(156,060)	20,547
Depreciation and amortisation		
- relating to operating function	203,104	166,300
- relating to selling, general and administrative function	12,822	9,722
	215,926	176,022
Interest expense, net of capitalised interest	200,944	155,930
Interest income	(6,670)	(8,484)
Impairment loss	30,600	1,400
(Gain)/Loss on translation of debts	35,122	(29,418)
(Gain)/Loss on disposal of property, plant and equipment	(16,707)	559
Impairment of non-cruise related investment	10,285	—
Gain on disposal of a subsidiary	(1,337)	—
Others	1,810	3,686
	313,913	320,242
Decrease/(Increase) in:		
Trade receivables	3	(8,879)
Consumable inventories	(5,245)	(13,373)
Prepaid expenses and others	41	(16,989)
Other assets	(4,677)	(1,714)
Increase/(Decrease) in:		
Trade creditors	49,548	5,835
Provisions, accruals and other liabilities	35,588	23,504
Amounts due to related companies	(217)	243
Advance ticket sales	31,892	49,337
Cash generated from operations	420,846	358,206

(b) Disposal of a subsidiary

In September 2006, the Group entered into a sale and purchase agreement to dispose of its 100% equity interest in Laem Chabang Cruise Centre Co., Ltd. ("LCCC") for a cash consideration of approximately US\$14.3 million, net of cash and bank balances. The effective date of the disposal of LCCC was in December 2006 and the disposal proceeds were subsequently received in the first quarter of 2007. The details of the net assets disposed of and the cash flow arising from the disposal are shown below:

	GROUP	
	2006	2005
	US\$'000	US\$'000
Net assets disposed of:		
Property, plant and equipment	14,476	—
Lease prepayments	780	—
Trade and other receivables	375	—
Cash and bank balances	381	—
Trade and other creditors	(322)	—
	15,690	—
Reserve on exchange differences realised on disposal	(2,341)	—
Gain on disposal of a subsidiary	1,337	—
Total cash consideration received in the first quarter of 2007	14,686	—
Net cash inflow on disposal:		
Cash consideration received in the first quarter of 2007	14,686	—
Cash and bank balances disposed of	(381)	—
	14,305	—

The subsidiary which was disposed of during the year ended 31 December 2006 contributed US\$2.2 million and US\$0.4 million to the Group's revenue and net profit, respectively, for the year ended 31 December 2006. For the year ended 31 December 2005, the subsidiary contributed US\$1.8 million and US\$0.3 million to the Group's revenue and net profit, respectively. The subsidiary's current and non-current assets as well as current liabilities as at 31 December 2005 were US\$0.9 million, US\$11.3 million and US\$0.2 million, respectively.