

Consolidated Cash Flow Statement

For the year ended 31 December 2006

(Expressed in Hong Kong dollars)

	Note	2006		2005	
		\$'000	\$'000	\$'000	\$'000
Operating activities					
Profit before taxation		203,466		194,825	
Adjustments for:					
- Dividend income from listed investments		(15,061)		(10,779)	
- Amortisation of land lease premium		729		729	
- Depreciation		19,419		18,387	
- Finance costs		1,212		3,669	
- Interest income		(31,070)		(22,816)	
- Share of profits less losses of associates		(107,045)		(102,167)	
- Share of profits of a jointly controlled entity		(9,557)		(9,198)	
- Net gain on sale of fixed assets		(1,852)		(2,322)	
- Net gain on sale of listed investments		(13,382)		(14,133)	
- Fair value changes on trading securities		12,420		—	
- Fair value changes on derivative financial instruments		(4,531)		—	
- Fair value changes on equity-linked notes		16		—	
Operating profit before changes in working capital		54,764		56,195	
(Increase)/decrease in inventories		(64)		3	
Decrease in trade and other receivables		1,819		4,885	
Increase/(decrease) in trade and other payables		1,824		(4,621)	
Increase in course fees received in advance		6,477		2,467	
Cash generated from operations		64,820		58,929	
Tax paid					
- Hong Kong profits tax paid		(10,114)		(8,992)	
Net cash from operating activities			54,706		49,937

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		\$'000	\$'000	\$'000	\$'000
Investing activities					
Payments for the purchase of fixed assets		(16,293)		(32,063)	
Proceeds from sale of fixed assets		2,079		2,864	
Payments for the purchase of available-for-sale securities		(116,186)		—	
Payments for the purchase of equity-linked notes		(69,939)		—	
Payments for the purchase of trading securities		(236,535)		(3,788)	
Proceeds from sale of listed investments		131,116		54,302	
Proceeds from sale of equity-linked notes		23,325		—	
Dividends received from listed investments		12,569		10,637	
Dividend received from a jointly controlled entity		5,000		5,000	
Repayment of loan from an associate		62,900		40,700	
Interest received		20,577		11,552	
Net cash (used in)/from investing activities			(181,387)		89,204
Financing activities					
Proceeds from shares on exercise of share option		190,589		—	
Other borrowing costs		(764)		(404)	
Interest paid		—		(2,776)	
Dividends paid		(97,740)		(82,030)	
Dividends paid to minority shareholders		(14,280)		(10,320)	
Net cash from/(used in) financing activities			77,805		(95,530)
Net (decrease)/increase in cash and cash equivalents			(48,876)		43,611
Cash and cash equivalents at 1 January			485,877		442,266
Cash and cash equivalents at 31 December	20		437,001		485,877

The notes on pages 45 to 92 form part of these financial statements.