

Consolidated Cash Flow Statement

for the year ended 31 December 2006

<i>in HK\$ million</i>	2006	2005
Cash Flows from Consolidated Activities		
<i>Profit from Consolidated Activities after Net Finance Charges</i>	6,444	2,331
Net interest expense	431	543
Income from other financial assets	(11)	(157)
Depreciation	1,034	774
Amortisation of leasehold land	47	38
Impairment losses on other financial assets	105	19
Impairment losses on trade and other receivables	30	–
Impairment losses on properties held for sale	–	77
Impairment losses on property, plant and equipment	120	–
Impairment losses on goodwill	25	–
Expected losses on construction contracts	23	–
Disposal of properties under development	–	54
(Profit) / loss on disposal of property, plant and equipment	(17)	3
Change in fair value of investment properties	(735)	(520)
Change in fair value of financial instruments	(8)	(62)
Profit on disposal of subsidiary companies and associated companies	(3,507)	(362)
Profit on disposal of other financial assets	(3)	–
Profit on disposal of jointly controlled entities	–	(11)
Impairment losses on jointly controlled entities	152	57
Impairment losses on loan to an associated company	8	24
<i>Operating Profit before Working Capital Changes</i>	4,138	2,808
(Increase) / decrease in inventories	(364)	165
Decrease / (increase) in debtors, accounts receivable, deposits and prepayments	70	(813)
Increase/(decrease) in creditors, accounts payable, deposits and accruals	413	(121)
Effect of foreign exchange rates	45	24
<i>Cash Generated from Consolidated Activities</i>	4,302	2,063
Interest received	152	57
Interest paid	(903)	(658)
Income taxes paid	(315)	(227)
Net cash from consolidated activities	3,236	1,235

<i>in HK\$ million</i>	2006	2005
Cash Flows from Investing Activities		
Purchase of subsidiary companies (net of cash and cash equivalents acquired) (note a)	(1,721)	63
Purchase of additional interests in subsidiary companies	(290)	(3)
Purchase of property under development	(971)	(1,323)
Purchase of property, plant and equipment	(2,077)	(1,221)
Purchase of intangible assets	(214)	–
Investment in jointly controlled entities	(3,579)	(2,051)
Investment in associated companies	(7)	(999)
Increase in other financial assets	(998)	(544)
Proceeds on disposal of property, plant and equipment	406	107
Proceeds on disposal of other financial assets	43	5
Proceeds on disposal of interests in jointly controlled entities	–	186
Proceeds on disposal of interests in associated companies	5,151	–
Disposal of subsidiary companies (net of cash and cash equivalents disposed) (note b)	7,119	476
Decrease / (increase) in loans to jointly controlled entities	112	(351)
Decrease in loans to associated companies	190	391
Dividend income from associated companies	942	1,113
Dividend income from jointly controlled entities	108	106
Income from other financial assets	11	1
Net Cash from / (used in) Investing Activities	4,225	(4,044)
Cash Flows from Financing Activities		
Issue of shares pursuant to the Plan	87	16
Repurchase of shares	(35)	–
New borrowings	6,592	6,703
Repayment of loans	(9,741)	(1,219)
Decrease in minority interests	(227)	(154)
Dividends paid	(3,072)	(2,412)
Net Cash (used in) / from Financing Activities	(6,396)	2,934
Net Increase in Cash and Cash Equivalents	1,065	125
Cash and Cash Equivalents at 1 January	2,524	2,381
Effect of Foreign Exchange Rate Changes	45	18
Cash and Cash Equivalents at 31 December	3,634	2,524
Analysis of the Balances of Cash and Cash Equivalents		
Cash and bank deposits	3,679	2,579
Bank overdrafts (Note c)	(45)	(55)
	3,634	2,524