

Consolidated Cash Flow Statement

For the year ended December 31, 2006

	Note	2006 HK\$'000	2005 HK\$'000
Operating activities			
Profit before taxation		209,768	282,056
Adjustments for:			
Finance costs, net		7	134
Interest income		(11,640)	(3,335)
Dividend received from investment in equity securities		(1,872)	(3,833)
Depreciation		428,121	480,589
Amortisation of programming library		101,117	79,624
Amortisation of other intangible assets		2,923	–
Impairment loss on investment in equity securities		–	1,500
Impairment loss on property, plant and equipment		11,641	6,585
Net loss/(gain) on disposal of property, plant and equipment		322	(804)
Operating profit before changes in working capital		740,387	842,516
Decrease in inventories		9,399	10,383
Decrease/(increase) in accounts receivable from trade debtors		7,388	(35,105)
Decrease/(increase) in deposits, prepayments and other receivables		53,383	(33,001)
Increase in amounts due from fellow subsidiaries		(51,086)	(11,253)
Decrease in amounts due to trade creditors		(19,697)	(15,995)
Increase in accrued expenses and other payables		29,764	29,623
Increase/(decrease) in receipts in advance and customers' deposits		1,631	(3,371)
Increase in amounts due to fellow subsidiaries		5,850	8,364
Net change in amount due to immediate holding company		906	403
Cash generated from operations		777,925	792,564
Interest received		11,467	3,213
Interest paid		(1)	(134)
Hong Kong profits tax paid		(75)	(11,586)
Overseas tax paid		(225)	(126)
Net cash generated from operating activities		789,091	783,931
Investing activities			
Purchase of property, plant and equipment		(238,449)	(286,002)
Additions to programming library		(140,225)	(104,976)
Acquisition of a subsidiary	35	(7,477)	–
Dividend income received from investment in equity securities		1,872	3,833
Proceeds from sale of property, plant and equipment		1,543	1,889
Net cash used in investing activities		(382,736)	(385,256)
Financing activities			
Capital element of finance lease rentals paid		(242)	–
Interest element of finance lease rentals paid		(36)	–
Dividends paid to equity shareholders of the Company		(171,571)	(161,476)
Net cash used in financing activities		(171,849)	(161,476)
Net increase in cash and cash equivalents		234,506	237,199
Effect of foreign exchange rate changes		(201)	(320)
Cash and cash equivalents at January 1		351,892	115,013
Cash and cash equivalents at December 31	22	586,197	351,892

The notes on pages 48 to 84 form part of these financial statements.