

# Consolidated Cash Flow Statement

Year ended 31 December 2006

	<i>Notes</i>	<b>2006</b> <b>HK\$'000</b>	2005 HK\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		<b>570,182</b>	787,891
Adjustments for:			
Finance costs	6	<b>79,561</b>	55,453
Interest income	5	<b>(71,161)</b>	(43,587)
Gain on disposal of items of property, plant and equipment, net	5	<b>(1,140)</b>	(754)
Write-back of long outstanding payables	5	<b>(2,958)</b>	(3,771)
Loss/(gain) on disposal of available-for-sale investments	7	<b>1,757</b>	(1,341)
Depreciation	7	<b>306,397</b>	157,269
Recognition of prepaid land lease payments	7	<b>60,396</b>	57,395
Provision for doubtful debts, net	7	<b>6,976</b>	6,484
Provision for slow-moving inventories	7	–	20
Impairment of available-for-sale investments	7	<b>299</b>	381
Impairment/(reversal of impairment) of items of property, plant and equipment	7	<b>(259)</b>	7,500
Impairment of goodwill	7	<b>16,591</b>	–
Reversal of impairment of interests in jointly-controlled entities	7	<b>(2,708)</b>	–
Write-off of properties under development	7	<b>1,073</b>	–
Revaluation surplus of investment properties	7	<b>(11,516)</b>	(36,882)
Revaluation surplus of hotel properties	7	<b>(16,020)</b>	(28,725)
Fair value gains on derivative financial instruments	7	–	(99,204)
Share of profits and losses of jointly-controlled entities		<b>(134,077)</b>	(175,598)
Share of profits and losses of associates		<b>(57,433)</b>	(45,751)
		<b>745,960</b>	636,780

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	<b>745,960</b>	636,780
Decrease/(increase) in inventories	<b>1,351</b>	(5,171)
Increase in trade receivables, prepayments, deposits and other receivables	<b>(179,463)</b>	(132,232)
Decrease in available-for-sale investments	–	11,581
Decrease in an amount due from the ultimate holding company	<b>6,105</b>	3,429
Decrease/(increase) in amounts due from fellow subsidiaries	<b>1,987</b>	(2,030)
Increase in trade payables, other payables and accruals	<b>251,782</b>	73,831
Increase/(decrease) in amounts due to fellow subsidiaries	<b>(1,371)</b>	17
Increase in deferred income	<b>3,276</b>	18,173
Increase in amounts due from jointly-controlled entities	<b>(13,975)</b>	(12,475)
Increase in amounts due to jointly-controlled entities	<b>1,256</b>	632
Decrease/(increase) in amounts due from associates	<b>8,687</b>	(8,172)
Increase/(decrease) in amounts due to associates	<b>7,642</b>	(702)
Effect of foreign exchange rate changes, net	<b>11,864</b>	14,146
Cash generated from operations	<b>845,101</b>	597,807
Hong Kong, PRC and Macau profits tax paid	<b>(97,051)</b>	(116,439)
Overseas taxes paid	<b>(751)</b>	–
Net cash inflow from operating activities	<b>747,299</b>	481,368
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	<b>71,161</b>	43,587
Dividends received from an associate	<b>35,380</b>	53,543
Dividends received from jointly-controlled entities	<b>267,080</b>	210,590
Proceeds from disposal of available-for-sale investments	<b>571</b>	4,185
Purchases of items of property, plant and equipment	<b>(559,469)</b>	(278,702)
Purchase of investment properties	<b>(4,202)</b>	–
Investment in a jointly-controlled entity	–	(1,415)
Purchases of held-to-maturity investments	–	(15,477)
Proceeds from disposal of items of property, plant and equipment	<b>7,965</b>	22,677
Additions to properties under development	–	(1,132,725)
Additions to land lease payments	<b>(6,029)</b>	(8,332)
Acquisition of minority interests	–	(10,265)
Return of capital from a jointly-controlled entity	<b>105,700</b>	94,517
Decrease/(increase) in pledged time deposits	<b>130</b>	(253)
Increase in non-pledged time deposits with original maturity of more than three months when acquired	<b>(333,666)</b>	(264,566)
Net cash outflow from investing activities	<b>(415,379)</b>	(1,282,636)

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	<i>Notes</i>	<b>2006</b> <b>HK\$'000</b>	2005 HK\$'000
Net cash outflow from investing activities		<b>(415,379)</b>	(1,282,636)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Interest paid		<b>(79,561)</b>	(48,489)
Dividends paid		<b>(280,881)</b>	(401,681)
Dividends paid to minority shareholders		<b>(63,918)</b>	(53,832)
Contributions from minority shareholders		<b>4,943</b>	1,415
Proceeds from shares issued upon exercise of bonus warrants	35	<b>990,019</b>	212,837
Repurchase of own shares	37	–	(2,295)
New bank loans		<b>1,538,937</b>	1,318,335
Repayment of bank loans		<b>(2,876,283)</b>	(12,370)
Capital element of finance lease and hire purchase contract payments		<b>(200)</b>	(302)
Net cash inflow/(outflow) from financing activities		<b>(766,944)</b>	1,013,618
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>			
Cash and cash equivalents at beginning of year		<b>1,923,003</b>	1,710,653
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b>1,487,979</b>	1,923,003
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances	28	<b>847,528</b>	1,046,051
Non-pledged time deposits with original maturity of less than three months when acquired		<b>640,451</b>	876,952
		<b>1,487,979</b>	1,923,003