

Consolidated Cash Flow Statement

For the year ended 31st December 2006

	2006 HK\$'000	2005 HK\$'000
Profit before taxation	1,736,712	1,449,603
Adjustments for:		
Dividend income from listed equity investments	(3,514)	(5,231)
Dividend income from unlisted equity investments	(38,546)	(31,371)
Income from investments in other projects	(3,861)	(3,215)
Interest income	(266,562)	(156,115)
Interest expense	104,555	82,024
Rental income	(6,229)	(3,343)
Amortisation of toll road operating right	67,335	41,950
Amortisation of other intangible assets	13,861	6,978
Depreciation and amortisation of property, plant and equipment	234,786	211,538
Release of prepaid lease payments	6,873	5,500
(Gain) loss on disposal of property, plant and equipment	(386)	8,783
Gain on transfer of prepaid lease payments	(533)	–
Impairment loss recognised on available-for-sale investments	1,900	9,648
Increase in fair value of investment properties	(24,861)	(7,133)
Impairment loss on bad and doubtful debts	53,292	24,424
Research and development costs expensed	49,273	64,711
Gain on disposal of available-for-sale investments	(268,074)	–
Share of results of jointly controlled entities	(21,152)	(2,839)
Share of results of associates	(157,215)	(102,532)
Equity-settled share-based payment expense	11,078	6,138
Net gain on disposal of interests in subsidiaries, associates and jointly controlled entities	(23,842)	(180,661)
Dilution loss on share reform of a subsidiary	214,955	–
Loss on share reform of an associate	27,739	–
Impairment losses recognised in respect of goodwill relating to subsidiaries and interests in an associate and a jointly controlled entity	32,352	26,185
Discount on acquisition of additional interests in subsidiaries	–	(2,324)
Impairment loss on assets classified as held for sale	–	31,247
Operating cash flows before movements in working capital	1,739,936	1,473,965
Decrease (increase) in inventories	60,180	(197,012)
(Increase) decrease in financial assets at fair value through profit or loss	(589,481)	13,994
(Increase) decrease in trade and other receivables	(1,647)	3,110
Increase (decrease) in trade and other payables	217,933	(362,361)
Cash generated from operations	1,426,921	931,696
PRC income tax paid	(123,722)	(122,583)
Hong Kong Profits Tax paid	(77,988)	(100,721)
Hong Kong Profits Tax refunded	–	17,772
NET CASH FROM OPERATING ACTIVITIES	1,225,211	726,164

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	Notes	2006 HK\$'000	2005 HK\$'000
INVESTING ACTIVITIES			
Increase in deposits paid on acquisition of property, plant and equipment		(638,619)	(505)
Purchase of property, plant and equipment		(458,894)	(350,112)
(Increase) decrease in bank deposits		(399,601)	320,088
Capital contributions to jointly controlled entities		(62,517)	(503,307)
Purchase of available-for-sale investments		(60,331)	(52,046)
Research and development costs paid		(49,273)	(64,711)
Increase in prepaid lease payments		(28,313)	(1,569)
Purchase of additional interest in subsidiaries		(9,187)	(83,368)
Capital contributions to an associate		(2,437)	–
Proceeds from disposal of available-for-sale investments		457,369	36,509
Proceeds from disposal of interests in associates		355,312	199,601
Interest received		266,562	155,924
Dividends received from associates		100,364	160,846
Net proceeds from share reform of an associate		83,584	–
Dividends received from jointly controlled entities		70,136	286,812
Repayment of loan receivables		63,345	–
Capital refunds from a jointly controlled entity		53,869	–
Dividends received from unlisted equity investments		38,546	31,371
Proceeds from disposal of investment properties		16,726	1,782
Proceeds from disposal of property, plant and equipment		12,893	4,836
Acquisition of a subsidiary (net of cash and cash equivalents acquired)	42	11,038	43,896
Disposal of subsidiaries (net of cash and cash equivalents disposed of)	43	9,149	4,122
Rental income received		6,229	3,343
Proceeds from partial disposal of interest in a subsidiary		4,607	5,686
Government grants received		3,879	2,587
Income received from investments in other projects		3,861	3,215
Dividends received from listed equity investments		3,514	5,231
Proceeds from transfer of prepaid lease payments		1,067	–
Proceeds from disposal of interests in jointly controlled entities		–	222,628
Decrease in placement of deposits with financial institutions		–	188,962
Repayment from a minority shareholder of a subsidiary		–	4,255
Loans advanced to a jointly controlled entity and a minority shareholder of a subsidiary		–	(68,350)
Deposit paid on acquisition of a subsidiary		–	(68,269)
Patents paid		–	(2,975)
NET CASH (USED IN) FROM INVESTING ACTIVITIES		(147,122)	486,482

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	2006 HK\$'000	2005 HK\$'000
FINANCING ACTIVITIES		
Repayment of bank and other borrowings	(2,066,230)	(640,022)
Dividends paid	(426,058)	(529,805)
Dividends paid to minority shareholders of subsidiaries	(137,822)	(110,994)
Interest paid on bank and other borrowings	(105,479)	(82,024)
Capital refunds to minority shareholders of a subsidiary	(11,250)	–
Expenses incurred in connection with the issue of shares	(25)	(121)
Borrowings raised	1,919,277	524,617
Proceeds from issue of shares	11,644	104,160
Capital contributions by minority shareholders of subsidiaries	2,509	84,159
NET CASH USED IN FINANCING ACTIVITIES	(813,434)	(650,030)
NET INCREASE IN CASH AND CASH EQUIVALENTS	264,655	562,616
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	72,903	16,287
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	5,764,596	5,185,693
CASH AND CASH EQUIVALENTS AT END OF YEAR, represented by bank balances and cash	6,102,154	5,764,596