

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2006

	NOTES	2006 HK\$'000	2005 HK\$'000
OPERATING ACTIVITIES			
Profit before taxation	13	1,424,772	1,121,302
Adjustments for:			
Share of results of associates		135,380	(20,829)
Depreciation and amortisation of property, plant and equipment		55,376	168,052
Release of prepaid lease payments		1,589	2,474
Amortisation of intangible assets		661	428
Share-based payment expenses		16,960	40,393
Interest income		(195,309)	(70,703)
Dividend income from unlisted available-for-sale investments		(503)	(5,346)
Gain on fair value changes on investments held for trading		(17,476)	(11,949)
Interest expenses		72,636	178,522
Changes in fair value of derivative financial instruments		113,761	208,127
Gain on disposal of subsidiaries	14	(277,143)	(40,794)
Gain on group restructuring exercise		–	(180,401)
Loss on deemed disposal of subsidiaries		2,105	–
Discount on acquisitions of subsidiaries/ additional interest in subsidiaries		(23,920)	(15,189)
Increase in fair value of investment properties		(67,096)	(240,778)
Gain on disposal of available-for-sale investments		–	(116,397)
Impairment loss on goodwill		–	6,405
Impairment loss recognised in respect of available-for-sale investments		–	50,000
Changes in fair value of convertible option of exchangeable note		–	(7,227)
(Gain) loss on disposal of property, plant and equipment		(886)	2,444
Operating cash flows before movements in working capital		1,240,907	1,068,534
Decrease (increase) in stock of properties		333,063	(193,124)
Increase in inventories		(3,558)	(87,533)
Decrease (increase) in trade and other receivables		192,799	(721,161)
Increase in investments held for trading		–	(92,974)
(Decrease) increase in trade and other payables		(944,609)	1,003,265
Cash generated from operations		818,602	977,007
Taxation paid		(119,622)	(38,665)
NET CASH FROM OPERATING ACTIVITIES		698,980	938,342

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For the year ended 31 December 2006

	NOTES	2006 HK\$'000	2005 HK\$'000
INVESTING ACTIVITIES			
Disposal of subsidiaries (net of cash and cash equivalent disposed of)	39	(1,232,408)	–
Advance to an associate		(912,245)	–
Acquisition of subsidiaries (net of cash and cash equivalents acquired)	38	(172,600)	(109,578)
Purchase of property, plant and equipment		(80,144)	(782,539)
Increase in pledged bank deposits		(17,785)	(134,728)
Prepaid lease payments		(7,393)	(4,456)
Purchase of available-for-sale investments		(1,990)	(275,187)
Interest received		24,545	137,522
Dividend received from associates		26,220	–
Proceeds from disposal of property, plant and equipment		18,698	24,396
Investment income from available-for-sale investments		503	5,346
Proceeds from disposal of available-for-sale investments		–	278,830
Proceeds from placing of shares of subsidiaries		–	97,196
Proceeds from disposal of prepaid lease payments		–	527
Acquisition of an associate		–	(307,955)
Acquisition of additional interests in subsidiaries		–	(305,102)
NET CASH USED IN INVESTING ACTIVITIES		(2,354,599)	(1,375,728)
FINANCING ACTIVITIES			
New bank and other loans raised		557,383	223,119
Proceeds from issue of shares		485,364	561,030
Issue share expenses		(17,520)	(11,466)
Capital contribution from minority shareholders of subsidiaries		5,758	–
Proceeds from exercise of share options of a listed subsidiary		2,362	2,523
Repayment of bank and other loans		(668,915)	(936,947)
Interest paid		(146,629)	(153,916)
Dividends paid		(185,481)	(218,571)
Dividends paid to minority shareholders of subsidiaries		(43,186)	(69,940)
Repayment to minority shareholders		(2,254)	(430)
Advances to shareholders		–	(323,567)
Repayment from minority shareholders of a subsidiary		–	28,064
NET CASH USED IN FINANCING ACTIVITIES		(13,118)	(900,101)
NET DECREASE IN CASH AND CASH EQUIVALENTS		(1,668,737)	(1,337,487)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		2,152,484	3,468,306
EFFECT OF FOREIGN EXCHANGE RATE CHANGES		11,498	21,665
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, REPRESENTING BANK BALANCES AND CASH		495,245	2,152,484