Year ended 31 December 2006

Interest income4(82,177)(73,165)Investment income4(1,436)(3,271)(Gain)/loss on disposal of items of property, plant and equipment, net7(111,341)5,556Gain on disposal of investment properties4(3,189)(2,466)Gain on disposal of interests in subsidiaries, net4(141,469)(81,097)		Notes	2006 HK\$'000	2005 HK\$'000
Profit before tax: From continuing operations 424,198 732,625 From discontinued operations 12(a) 701,851 157,270 Adjustments for: Finance costs 18 8 114,893 156,220 Fair value gains on investment properties, net 4 (4,580) (13,635) Excess over the cost of acquisition of subsidiaries and minority interests 4 (889) (3,677) Share of profits and losses of jointly-controlled entities and associates (58,672) 5,099 Depreciation of operating concessions 7 106,415 102,605 Amortisation of one rating concessions 7 106,415 102,605 Amortisation of incences 7 449 1,491 Amortisation of licences 7 449 1,491 Amortisation of deferred development costs 7 670 - Impairment of items of property, plant and equipment 7 1,916 3,780 Impairment of licences 7 - 449 1,491 Impairment of licences 7 - 2,000 1,887 Amortisation of deferred development costs 7 - 2,000 Impairment of licences 7 - 2,000 Impairment of derered development costs 7 - 2,000 Impairment of licences 7 - 2,000 Impairment of derered development costs 7 - 2,000 Impairment of available-for-sale investments 7 90,777 1,083 Impairment of available-for-sale investments 7 90,777 1,083 Impairment of other receivables 7 15,838 48,398 Impairment of other receivables 7 494,226 22,445 Provision/(write-back of provision) against inventories, net 7 3,459 (8,377) Interest income 4 (1,436) (3,271) (Gain on disposal of investment properties 4 (3,189) (2,466) Gain on disposal of investment properties 4 (3,189) (2,466) Gain on disposal of investment properties 4 (3,189) (2,466) Gain on disposal of interest in an associate 7 499 927 Gain on disposal of interest in an associate 7 499 927 Gain on disposal of interest in an associate 7 499 927 Gain on disposal of interest in an associate 7 499 927 Gain on disposal of interest in an associate 7 499 927 Gain on disposal of interest in an associate 7 499 927 Gain on disposal of interest in an associate 7 499 927 Gain on disposal of interest in an associate 7 499 927 Gain on disposal of interest in an associate 7	CASH ELOWS EDOM ODED ATING ACTIVITIES			
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Impairment of trade and bills receivables715,83848,398Impairment of other receivables794,22622,445Provision/(write-back of provision) against inventories, net73,459(8,377)Interest income4(82,177)(73,165)Investment income4(1,436)(3,271)(Gain)/loss on disposal of items of property, plant and equipment, net7(111,341)5,556Gain on disposal of investment properties4(3,189)(2,466)Gain on disposal of interests in subsidiaries, net4(141,469)(81,097)Gain on deemed disposal of interests in subsidiaries(146,957)(14,498)Dilution losses on share reforms of subsidiaries4-(120,273)Loss on deemed disposal of an interest in a jointly-controlled entities4(47,676)(1,514)Gain on disposal of an interest in an associate74999227Gain on disposal of available-for-sale investments4(2,563)(2,074)Gain on disposal of interial assets4(2,563)(2,074)a tafix value through profit or loss, net7(8,919)4,132employee share option benefits7-(8,919)4,132	Impairment of available-for-sale investments	7	90,770	1,083
Impairment of other receivables794,22622,445Provision/(write-back of provision) against inventories, net73,459(8,377)Interest income4(82,177)(73,165)Investment income4(1,436)(3,271)(Gain)/loss on disposal of items of property, plant and equipment, net7(111,341)5,556Gain on disposal of investment properties4(3,189)(2,466)Gain on disposal of interests in subsidiaries, net4(141,469)(81,097)Gain on deemed disposal of interests in subsidiaries(146,957)(14,498)Dilution losses on share reforms of subsidiaries4-(120,273)Loss on deemed disposal of an interest in a jointly-controlled entity7-316Loss on deemed disposal of an interest in an associate7499927Gain on disposal of available-for-sale investments4(2,563)(2,074)Gain on disposal of intarieal assets4(2,563)(2,074)at fair value through profit or loss, net7(8,919)4,132employee share option benefits7(8,919)4,132	Impairment of an amount due from an associate	7	5,500	4,500
Provision/(write-back of provision) against inventories, net73,459(8,377)Interest income4(82,177)(73,165)Investment income4(1,436)(3,271)(Gain)/loss on disposal of items of property, plant and equipment, net7(111,341)5,556Gain on disposal of investment properties4(3,189)(2,466)Gain on disposal of interests in subsidiaries, net4(141,469)(81,097)Gain on deemed disposal of interests in subsidiaries(146,957)(14,498)Dilution losses on share reforms of subsidiaries485,827-Gain on disposal of interests in jointly-controlled entities4-(120,273)Loss on deemed disposal of an interest in a jointly-controlled entity7-316Loss on deemed disposal of an interest in an associate7499927Gain on disposal of an interest in an associate7499927Gain on disposal of financial assets at fair value through profit or loss, net4(2,563)(2,074)Fair value (gains)/losses on financial assets at fair value through profit or loss, net7(8,919)4,132Employee share option benefits26,493	Impairment of trade and bills receivables	7	15,838	48,398
Interest income4(82,177)(73,165)Investment income4(1,436)(3,271)(Gain)/loss on disposal of items of property, plant and equipment, net7(111,341)5,556Gain on disposal of investment properties4(3,189)(2,466)Gain on disposal of interests in subsidiaries, net4(141,469)(81,097)Gain on deemed disposal of interests in subsidiaries(146,957)(14,498)Dilution losses on share reforms of subsidiaries4-(120,273)Loss on deemed disposal of an interest in a jointly-controlled entity7-316Loss on deemed disposal of an interest in an associate7499927Gain on disposal of financial assets at fair value through profit or loss, net4(2,563)(2,074)Fair value through profit or loss, net7(8,919)4,132Employee share option benefits26,493	Impairment of other receivables	7	94,226	22,445
Investment income4(1,436)(3,271)(Gain)/loss on disposal of items of property, plant and equipment, net7(111,341)5,556Gain on disposal of investment properties4(3,189)(2,466)Gain on disposal of interests in subsidiaries, net4(141,469)(81,097)Gain on deemed disposal of interests in subsidiaries(146,957)(14,498)Dilution losses on share reforms of subsidiaries4-(120,273)Loss on deemed disposal of an interest in a jointly-controlled entity7-316Loss on deemed disposal of an interest in an associate7499927Gain on disposal of financial assets at fair value through profit or loss, net4(2,563)(2,074)Fair value (gains)/losses on financial assets at fair value through profit or loss, net7(8,919)4,132Employee share option benefits26,493	Provision/(write-back of provision) against inventories, net	7	3,459	(8,377)
(Gain)/loss on disposal of items of property, plant and equipment, net7(111,341)5,556Gain on disposal of investment properties4(3,189)(2,466)Gain on disposal of interests in subsidiaries, net4(141,469)(81,097)Gain on deemed disposal of interests in subsidiaries(146,957)(14,498)Dilution losses on share reforms of subsidiaries485,827-Gain on disposal of interests in jointly-controlled entities4-(120,273)Loss on deemed disposal of an interest in a jointly-controlled entity7-316Loss on deemed disposal of an interest in an associate7499927Gain on disposal of financial assets at fair value through profit or loss, net4(2,563)(2,074)Fair value (gains)/losses on financial assets at fair value through profit or loss, net7(8,919)4,132Employee share option benefits26,493	Interest income	4	(82,177)	(73,165)
plant and equipment, net7(111,341)5,556Gain on disposal of investment properties4(3,189)(2,466)Gain on disposal of interests in subsidiaries, net4(141,469)(81,097)Gain on deemed disposal of interests in subsidiaries(146,957)(14,498)Dilution losses on share reforms of subsidiaries485,827-Gain on disposal of interests in jointly-controlled entities4-(120,273)Loss on deemed disposal of an interest in a jointly-controlled entity7-316Loss on deemed disposal of an interest in an associate7499927Gain on disposal of available-for-sale investments4(2,563)(2,074)Fair value through profit or loss, net7(8,919)4,132Employee share option benefits26,493	Investment income	4	(1,436)	(3,271)
Gain on disposal of investment properties4(3,189)(2,466)Gain on disposal of interests in subsidiaries, net4(141,469)(81,097)Gain on deemed disposal of interests in subsidiaries(146,957)(14,498)Dilution losses on share reforms of subsidiaries4-(120,273)Gain on disposal of interests in jointly-controlled entities4-(120,273)Loss on deemed disposal of an interest in a jointly-controlled entity7-316Loss on deemed disposal of an interest in an associate7499927Gain on disposal of available-for-sale investments4(47,676)(1,514)Gain on disposal of financial assets at fair value through profit or loss, net4(2,563)(2,074)Fair value (gains)/losses on financial assets at fair value through profit or loss, net7(8,919)4,132Employee share option benefits26,493	(Gain)/loss on disposal of items of property,			
Gain on disposal of investment properties4(3,189)(2,466)Gain on disposal of interests in subsidiaries, net4(141,469)(81,097)Gain on deemed disposal of interests in subsidiaries(146,957)(14,498)Dilution losses on share reforms of subsidiaries4-(120,273)Gain on disposal of interests in jointly-controlled entities4-(120,273)Loss on deemed disposal of an interest in a jointly-controlled entity7-316Loss on deemed disposal of an interest in an associate7499927Gain on disposal of available-for-sale investments4(47,676)(1,514)Gain on disposal of financial assets at fair value through profit or loss, net4(2,563)(2,074)Fair value (gains)/losses on financial assets at fair value through profit or loss, net7(8,919)4,132Employee share option benefits26,493	plant and equipment, net	7	(111,341)	5,556
Gain on disposal of interests in subsidiaries, net4(141,469)(81,097)Gain on deemed disposal of interests in subsidiaries(146,957)(14,498)Dilution losses on share reforms of subsidiaries485,827-Gain on disposal of interests in jointly-controlled entities4-(120,273)Loss on deemed disposal of an interest in a jointly-controlled entity7-316Loss on deemed disposal of an interest in an associate7499927Gain on disposal of available-for-sale investments4(47,676)(1,514)Gain on disposal of financial assets at fair value through profit or loss, net7(8,919)4,132Employee share option benefits7(8,919)4,132		4	(3,189)	(2,466)
Gain on deemed disposal of interests in subsidiaries(146,957)(14,498)Dilution losses on share reforms of subsidiaries485,827-Gain on disposal of interests in jointly-controlled entities4-(120,273)Loss on deemed disposal of an interest in a jointly-controlled entity7-316Loss on deemed disposal of an interest in an associate7499927Gain on disposal of available-for-sale investments4(47,676)(1,514)Gain on disposal of financial assets at fair value through profit or loss, net4(2,563)(2,074)Fair value (gains)/losses on financial assets at fair value through profit or loss, net7(8,919)4,132Employee share option benefits26,493		4	(141,469)	(81,097)
Dilution losses on share reforms of subsidiaries485,827Gain on disposal of interests in jointly-controlled entities4Loss on deemed disposal of an interest in a jointly-controlled entity7Loss on deemed disposal of an interest in an associate7Gain on disposal of available-for-sale investments4Gain on disposal of financial assets at fair value through profit or loss, net4Fair value (gains)/losses on financial assets at fair value through profit or loss, net7Gain on benefits7Additional entry7Additional entry7Additi			(146,957)	(14,498)
Loss on deemed disposal of an interest in a jointly-controlled entity7-316Loss on deemed disposal of an interest in an associate7499927Gain on disposal of available-for-sale investments4(47,676)(1,514)Gain on disposal of financial assets at fair value through profit or loss, net4(2,563)(2,074)Fair value (gains)/losses on financial assets at fair value through profit or loss, net7(8,919)4,132Employee share option benefits26,493-	Dilution losses on share reforms of subsidiaries		485,827	_
Loss on deemed disposal of an interest in a jointly-controlled entity7-316Loss on deemed disposal of an interest in an associate7499927Gain on disposal of available-for-sale investments4(47,676)(1,514)Gain on disposal of financial assets at fair value through profit or loss, net4(2,563)(2,074)Fair value (gains)/losses on financial assets at fair value through profit or loss, net7(8,919)4,132Employee share option benefits26,493-	Gain on disposal of interests in jointly-controlled entities	4	-	(120,273)
a jointly-controlled entity7-316Loss on deemed disposal of an interest in an associate7499927Gain on disposal of available-for-sale investments4(47,676)(1,514)Gain on disposal of financial assets4(2,563)(2,074)Fair value through profit or loss, net4(2,563)(2,074)Fair value (gains)/losses on financial assets7(8,919)4,132Employee share option benefits26,493	· · ·			
Loss on deemed disposal of an interest in an associate7499927Gain on disposal of available-for-sale investments4(47,676)(1,514)Gain on disposal of financial assets4(2,563)(2,074)Fair value through profit or loss, net4(2,563)(2,074)Fair value (gains)/losses on financial assets7(8,919)4,132Employee share option benefits26,493––		7	_	316
Gain on disposal of available-for-sale investments4(47,676)(1,514)Gain on disposal of financial assets at fair value through profit or loss, net4(2,563)(2,074)Fair value (gains)/losses on financial assets at fair value through profit or loss, net7(8,919)4,132Employee share option benefits26,493			499	927
Gain on disposal of financial assets at fair value through profit or loss, net4(2,563)(2,074)Fair value (gains)/losses on financial assets at fair value through profit or loss, net7(8,919)4,132Employee share option benefits26,493-				
at fair value through profit or loss, net4(2,563)(2,074)Fair value (gains)/losses on financial assets at fair value through profit or loss, net7(8,919)4,132Employee share option benefits26,493-		·	((1,011)
Fair value (gains)/losses on financial assets at fair value through profit or loss, net7(8,919)4,132Employee share option benefits26,493	<u> </u>	4	(2.563)	(2.074)
at fair value through profit or loss, net7(8,919)4,132Employee share option benefits26,493		,	(=,000)	(2,074)
Employee share option benefits		7	(8 919)	4 132
		/		7,152
Operating profit before working capital change2,215,5401,596,676	Employee share option benefits			
	Operating profit before working capital change		2,215,540	1,596,676

Year ended 31 December 2006



2005

2006

	HK\$'000	HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating profit before working capital changes	2,215,540	1,596,676
(Increase)/decrease in prepaid land premiums	(22,986)	64,049
(Increase)/decrease in properties under development	322,301	(190,269)
(Increase)/decrease in properties held for sale	(239,497)	23,584
Increase in inventories	(336,792)	(211,671)
Increase in amounts due from customers for contract work	(5,133)	(8,323)
(Increase)/decrease in trade and bills receivables	76,322	(143,136)
Increase in prepayments, deposits and other receivables	(676,865)	(143,130) (88,085)
Purchases of financial assets at fair value through profit or loss	(38,140)	(6,871)
Proceeds from disposal of financial assets	(30,140)	(0,071)
at fair value through profit or loss	74,545	9,464
(Increase)/decrease in taxes recoverable	2,228	(17,355)
Increase in trade and bills payables	555,282	340,926
Increase/(decrease) in amounts due to customers	555,202	540,920
for contract work	1,924	(3,190)
	524,490	379,659
Increase in other payables and accruals		49,008
Increase in other taxes payable	29,791	
Increase in other long term liabilities	7,147	24,216
Exchange adjustments	3,751	10,981
Cash generated from operations	2,493,908	1,829,663
Dividends received from jointly-controlled entities		
and associates	2,761	25,405
Hong Kong profits tax paid	(4,605)	(590)
Mainland China income tax paid	(236,538)	(201,078)
Overseas income tax paid	(1,490)	(1,097)
Net cash inflow from operating activities	2,254,036	1,652,303

Year ended 31 December 2006

	Notes	2006 HK\$'000	2005 HK\$'000
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of items of property, plant and equipment	16	(1,520,316)	(1,366,308)
Proceeds from disposal of items of property, plant and equipment		248,384	52,895
Proceeds from disposal of investment properties		5,974	3,474
Purchases of other intangible assets	20	(1,639)	(2,668)
Share reform expenses		(3,451)	_
Acquisition of subsidiaries	45	(231,571)	(77,326)
Acquisition of minority interests		-	(1,874)
Disposal of subsidiaries	46(a)	(189,126)	80,675
Deconsolidation of subsidiaries	46(b)	(343,086)	-
Acquisition of and increase in investments			
in jointly-controlled entities and associates		(60,902)	(47,369)
Proceeds from disposal of interests			
in jointly-controlled entities and associates		1,462	392,277
Deposit paid for acquisition of interests in companies		-	(36,743)
Net (increase)/decrease in amounts due from/to and loans			
to jointly-controlled entities and associates		(49,657)	18,880
Purchases of available-for-sale investments		(350,682)	(133,891)
Proceeds from disposal of available-for-sale investments		134,013	1,814
Decrease in time deposits with maturity			
of more than three months when acquired		88,768	677,737
(Increase)/decrease in pledged deposits		(49,962)	3,670
Interest received		45,836	58,132
Investment income received		1,436	3,271
Net cash outflow from investing activities		(2,274,519)	(373,354)



Year ended 31 December 2006

		2006	2005
	Notes	HK\$'000	HK\$'000
CASH FLOWS FROM FINANCING ACTIVITIES			
Capital contributions from minority shareholders		336,073	19,917
New loans		3,038,791	2,500,426
Repayment of loans		(3,710,875)	(3,536,684)
Interest paid	8	(108,892)	(150,915)
Dividends paid		(186,750)	(186,750)
Dividends paid to minority shareholders		(164,368)	(71,643)
Net cash outflow from financing activities		(796,021)	(1,425,649)
NET DECREASE IN CASH AND CASH EQUIVALENTS		(816,504)	(146,700)
Cash and cash equivalents at beginning of year		3,417,574	3,507,843
Effect of foreign exchange rate changes, net		105,612	56,431
CASH AND CASH EQUIVALENTS AT END OF YEAR		2,706,682	3,417,574
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	33	2,597,596	2,917,382
Cash equivalents	33	50,225	59,326
Time deposits	33	122,079	581,588
		2,769,900	3,558,296
Less: Pledged deposits	24	(61,505)	(50,241)
Time deposits with maturity of more than			
three months when acquired		(1,713)	(90,481)
		2,706,682	3,417,574