

# Consolidated Cash Flow Statement

For the year ended 31 March 2007

	Note	2007 HK\$'000	2006 HK\$'000
<b>Cash flows from operating activities</b>			
Profit before income tax		142,683	139,041
Adjustments for :			
Interest income		(50,923)	(33,010)
Interest expense		5,038	5,028
Impairment of trade receivables		833	1,335
Write-back of allowance for bad and doubtful debts		–	(12,783)
Depreciation		77,558	80,140
Amortisation of leasehold land		934	935
Net surplus on revaluation of property, plant and equipment		(11,491)	(9,087)
Fair value adjustment on investment properties		(744)	17,802
Net gain on disposal of property, plant and equipment and leasehold land		(527)	(7,477)
		<u>163,361</u>	<u>181,924</u>
Operating profit before working capital changes		163,361	181,924
(Increase)/Decrease in inventories		(10,656)	171,075
Decrease in trade receivables		29,755	31,701
(Increase)/Decrease in other debtors, deposits and prepayments		(455)	6,945
(Decrease)/Increase in trade payables		(26,298)	14,225
Increase/(Decrease) in other creditors, accruals and deposits received		33,574	(33,457)
		<u>189,281</u>	<u>372,413</u>
Cash generated from operations		189,281	372,413
Income tax paid		(65,655)	(61,237)
Income tax refunded		867	5,968
Interest paid		(5,038)	(5,028)
		<u>119,455</u>	<u>312,116</u>
<i>Net cash generated from operating activities</i>		<u>119,455</u>	<u>312,116</u>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(17,511)	(53,814)
Purchase of investment properties		–	(42,740)
Proceeds from disposal of property, plant and equipment and leasehold land		2,009	211,099
Interest received		50,923	33,010
Increase in pledged bank deposits		(4,991)	(3,488)
		<u>30,430</u>	<u>144,067</u>
<i>Net cash generated from investing activities</i>		<u>30,430</u>	<u>144,067</u>
<b>Cash flows from financing activities</b>			
Dividends paid		(59,948)	(227,802)
Repayment of other loan		–	(696)
		<u>(59,948)</u>	<u>(228,498)</u>
<i>Net cash used in financing activities</i>		<u>(59,948)</u>	<u>(228,498)</u>
<b>Net increase in cash and cash equivalents</b>		<b>89,937</b>	<b>227,685</b>
<b>Cash and cash equivalents at beginning of the year</b>		<b>996,801</b>	<b>770,806</b>
Effect of foreign exchange rate changes		9,764	(1,690)
<b>Cash and cash equivalents at 31 March</b>	23	<u><u>1,096,502</u></u>	<u><u>996,801</u></u>