

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 30th June, 2007

	2007 HK\$	2006 HK\$ (as restated)
OPERATING ACTIVITIES		
Profit before taxation	7,394,656,625	6,957,641,271
Adjustments for:		
Finance costs	816,787,120	665,128,020
Depreciation	25,873,260	27,197,844
Release of prepaid lease payments	4,602,365	4,370,279
Loss on disposal of property, plant and equipment	8,592	236,226
Share of results of associates	(1,313,707,497)	(1,270,014,335)
Increase in fair value of investment properties	(2,415,946,051)	(1,198,027,120)
Finance income	(398,240,433)	(233,902,180)
Loss (profit) on disposal of investment properties	911,315	(240,026)
Gain arising from change in fair value of trading securities	(425,682,837)	(150,612,601)
Other gains or losses	(187,192,646)	(69,712,972)
(Profit) loss on disposal of available-for-sale investments	(30,762,867)	919,261
Loss on deemed disposal of partial interest in a listed subsidiary	39,778,842	433,298
Impairment loss reversed in respect of loans receivable	(436,467)	(7,414,158)
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Operating cash flows before movements in working capital	3,510,649,321	4,726,002,807
Increase in properties under development	(4,930,155,279)	(7,608,133,048)
Decrease in stocks of unsold properties	2,694,577,808	2,263,634,946
Increase in hotel inventories	(572,621)	(1,254,286)
Increase in trading securities	(14,279,534)	(8,430,658)
Decrease (increase) in accounts and other receivables	2,217,328,685	(5,300,067,150)
(Decrease) increase in accounts and other payables	(120,741,809)	1,559,182,052
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Net cash from (used in) operations	3,356,806,571	(4,369,065,337)
Hong Kong Profits Tax paid	(232,154,387)	(154,601,143)
Taxation in other jurisdictions paid	(33,746,197)	(7,116,343)
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NET CASH FROM (USED IN) OPERATING ACTIVITIES	3,090,905,987	(4,530,782,823)

CONSOLIDATED CASH FLOW STATEMENT (Continued)

For the year ended 30th June, 2007

	2007 HK\$	2006 HK\$ (as restated)
INVESTING ACTIVITIES		
Repurchase of its own shares by a listed subsidiary	(733,975,785)	(1,330,323,360)
Purchase of available-for-sale investments	(37,377,112)	(1,282,634,256)
Advances to associates	(1,306,576,767)	(627,410,427)
Purchase of investment properties	(199,629,001)	(405,072,712)
Capital contribution to associates	(34,049,709)	(115,171,358)
Increase in restricted bank deposits	(24,447,422)	(75,359,560)
Additions of hotel property	–	(20,770,775)
Purchase of property, plant and equipment	(20,109,289)	(17,271,356)
Dividends received from associates	1,014,195,242	384,400,000
Decrease in long-term loans receivable	109,514,048	256,293,460
Interest received	158,124,690	114,377,975
Proceeds from disposal of available-for-sale investments	82,381,940	9,502,080
Repayments from investee companies	3,875,301	2,554,853
Proceeds from disposal of investment properties	2,057,758	2,285,000
Proceeds from disposal of property, plant and equipment	836,908	541,663
Acquisition of additional interest in a listed subsidiary	(756,105,050)	–
NET CASH USED IN INVESTING ACTIVITIES	(1,741,284,248)	(3,104,058,773)
FINANCING ACTIVITIES		
New bank and other loans	5,401,478,682	12,227,723,135
Advance from associates	605,226,585	68,338,726
Repayments of bank and other loans	(5,904,569,548)	(3,514,676,922)
Interest paid	(884,050,542)	(662,644,994)
Repayments to minority shareholders	(20,884,868)	(136,974,512)
Dividends paid to minority shareholders, net of reinvestment	(389,255,496)	(130,592,816)
Dividends paid	(2,933,867)	(4,426,605)
Shares issue expenses paid	(60,000)	(60,000)
NET CASH (USED IN) FROM FINANCING ACTIVITIES	(1,195,049,054)	7,846,686,012
NET INCREASE IN CASH AND CASH EQUIVALENTS	154,572,685	211,844,416
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	2,964,843,655	2,729,080,921
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	14,561,421	23,918,318
CASH AND CASH EQUIVALENTS CARRIED FORWARD	3,133,977,761	2,964,843,655
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Time deposits, bank balances and cash	3,134,000,450	2,973,592,616
Bank overdrafts	(22,689)	(8,748,961)
	3,133,977,761	2,964,843,655