

CONSOLIDATED CASH FLOW STATEMENT

for the years ended 31st December, in dollar thousands

	<i>Note</i>	2000	1999
Net cash inflow from operating activities	(a)	<u>204,753</u>	<u>184,900</u>
Returns on investments and servicing of finance			
Interest received		29,433	17,811
Interest paid		(42,606)	(31,401)
Dividends paid		<u>(48,564)</u>	<u>(37,357)</u>
Net cash outflow from returns on investment and servicing of finance		<u>(61,737)</u>	<u>(50,947)</u>
Taxation			
Hong Kong profits tax paid		(3,882)	—
Overseas tax paid		<u>(5,186)</u>	<u>(8,776)</u>
Tax paid		<u>(9,068)</u>	<u>(8,776)</u>
Investing activities			
Purchase of fixed assets		(14,643)	(17,037)
Proceeds on disposal of fixed assets		341	3,568
Purchase of held to maturity securities		(18,857)	(136)
Proceeds on disposal of held to maturity securities/ other unlisted investments		<u>10,373</u>	<u>19,865</u>
Net cash (outflow)/inflow from investing activities		<u>(22,786)</u>	<u>6,260</u>
Net cash inflow before financing		<u>111,162</u>	<u>131,437</u>

	<i>Note</i>	2000	1999
Financing			
Proceeds from new bank loan	(b)	8,486	54,460
Repayment of bank loans	(b)	(19,800)	(61,033)
Net cash outflow from financing		(11,314)	(6,573)
Increase in cash and cash equivalents		99,848	124,864
Cash and cash equivalents at beginning of year	(c)	318,866	193,915
Effect of foreign exchange rate changes		122	87
Cash and cash equivalents at end of year	(c)	418,836	318,866

(a) Reconciliation of profit before taxation to net cash inflow from operating activities

	2000	1999
Profit before taxation	93,608	63,470
Interest income	(25,633)	(20,040)
Realised/unrealised loss on unlisted investment	—	2,419
Interest expenses	40,176	32,105
Depreciation and amortisation of fixed assets	78,374	86,892
Amortisation of pre-operating expenses	6,212	6,282
Loss on disposal of fixed assets	1,030	464
Decrease/(increase) in products in hand and in process	11,503	(6,284)
Decrease/(increase) in materials and supplies	7,087	(9,302)
Decrease in trade and other receivables	13,039	8,619
Decrease in net amounts due from holding company and fellow subsidiaries	2,515	11,483
(Decrease)/increase in creditors and other payables	(24,486)	4,799
Increase in leased factory maintenance provision	1,488	4,002
Exchange difference	(160)	(9)
Net cash inflow from operating activities	204,753	184,900

(b) Analysis of changes in financing during the year

	Bank loans and advances repayable after three months	
	2000	1999
Balance at 1st January	477,729	482,976
Proceeds from new bank loan	8,486	54,460
Repayment of bank loans	(19,800)	(61,033)
Exchange difference	1,892	1,326
Balance at 31st December	<u>468,307</u>	<u>477,729</u>

(c) Analysis of the balances of cash and cash equivalents

	2000	1999
Cash and cash equivalents	418,836	323,345
Bank advances repayable within three months	<u>—</u>	<u>(4,479)</u>
	<u>418,836</u>	<u>318,866</u>