

# CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December 2001 (expressed in Hong Kong dollars)

	Note	2001	2000
		\$'000	\$'000
<b>Net cash flows from operating activities</b>	(a)	478,175	102,011
<b>Cash flows from investing activities</b>			
Proceeds from sale of fixed assets		9,908	23,090
Proceeds from sale of investment properties		24,158	656,913
Dividends received from listed investments		526	607
Dividends received from unlisted investments		1,265	866
Purchase of fixed assets		(58,453)	(173,123)
Interest received		38,681	21,292
Payment for purchase of equity investments		(18,019)	(10,568)
Payment for purchase of debt securities		-	(424,394)
Payment for purchase of a subsidiary	(b)	(10,368)	-
Net cash (used in)/generated from investing activities		(12,302)	94,683
<b>Cash flows from financing activities</b>			
Dividends received from associates		2,139	1,335
Payment for purchase of own shares		-	(3,675)
Proceeds from borrowings		-	1,505
Repayment of borrowings		(61,905)	(17,645)
Dividends paid to shareholders		(90,599)	(80,600)
Dividends paid to minority interests		(673)	(697)
Net cash used in financing activities		(151,038)	(99,777)
Net increase in cash and cash equivalents		314,835	96,917
Cash and cash equivalents at beginning of the year		566,754	481,874
Effect of exchange differences		(25,338)	(12,037)
Cash and cash equivalents at end of the year	21	856,251	566,754

The notes on pages 23 to 56 form part of these financial statements.

## NOTES TO CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December 2001 (expressed in Hong Kong dollars)

(a) The reconciliation of operating profit to net cash flows from operating activities is as follows:

	2001	2000
	\$'000	\$'000
Profit from operations	415,001	660,037
Adjustments for:		
Depreciation	48,289	46,772
Gain on disposal of fixed assets	(4,609)	(4,551)
Gain on disposal of investment properties	(4,262)	(237,856)
Decrease in fair value on revaluation of investment properties	82,483	19,740
Decrease in fair value of listed equity investments	28,999	-
Impairment loss on unlisted equity investments	3,651	50,664
Interest income	(50,137)	(28,853)
Dividend income	(1,791)	(1,473)
Operating profit before working capital changes	517,624	504,480
Decrease/(increase) in amounts due from associates	7,911	(1,441)
Decrease/(increase) in hire purchase debtors	64,240	(119,614)
Increase in stocks	(16,388)	(140,536)
Decrease/(increase) in trade debtors	44,657	(50,438)
Net movements in balance with related companies	(4,060)	3,008
Decrease in other debtors, deposits and prepayments	11,777	61,994
Increase/(decrease) in provision for warranties	7,172	(224)
Decrease in trade creditors	(5,421)	(52,540)
Increase in other creditors and accruals	5,293	8,436
Cash generated from operations	632,805	213,125
Interest paid	(6,220)	(10,440)
Taxes paid	(121,664)	(93,710)
Effect of exchange differences	(26,746)	(6,964)
Net cash flows from operating activities	478,175	102,011

## NOTES TO CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December 2001 (expressed in Hong Kong dollars)

### (b) Purchase of a subsidiary

The purchase of a subsidiary had the following effect on the Group's assets and liabilities:

	2001
	\$'000
Fixed assets	9,917
Stocks	174
Debtors, deposits and prepayments	647
Cash at bank and on hand	804
Creditors and accruals	(370)
Net assets	11,172
Satisfied by : cash	11,172
Less: cash acquired	(804)
Net cash outflow	10,368