

# Consolidated Cash Flow Statement for the year ended 31 December 2002

	2002 HK\$'000	2001 HK\$'000 restated
<b>Operating activities</b>		
Profit from ordinary activities before tax	1,142,188	1,809,710
Adjustments for:		
– Realised and unrealised loss on investments in securities	4,283	6,082
– Dividend income from listed securities	(1,008)	(1,047)
– Interest income	(36,761)	(90,144)
– Finance costs	49,858	113,984
– Depreciation and amortisation	850,994	666,746
– Gain on disposal of fixed assets	(2,519)	(10,735)
– Share of profit of associates	(1,081)	–
– Share of (profit)/loss of jointly controlled entity	(342)	682
Effect of foreign exchange rates	(18,653)	28
<b>Operating profit before changes in working capital</b>	<b>1,986,959</b>	<b>2,495,306</b>
Decrease in spare parts and stores	265	29,435
Decrease/(increase) in accounts receivable	83,353	(202,971)
Increase in deposits and prepayments	(38,883)	(9,209)
Increase in non-current prepayments	(101,040)	–
Increase/(decrease) in accounts payable and accruals	1,886	(54,365)
Decrease/(increase) in amount due from jointly controlled entity	1,039	(588)
Increase/(decrease) in third party claims payable	48,079	(9,325)
Decrease in contingency provision – insurance	(84,735)	(53,603)
Increase in provision for long service payments	1,509	–
Increase in employee benefit assets	(25,205)	–
<b>Cash generated from operations</b>	<b>1,873,227</b>	<b>2,194,680</b>
Interest received	37,384	110,556
Interest paid	(50,225)	(116,954)
Hong Kong Profits Tax paid	(211,727)	(87,503)
PRC tax paid	(381)	–
<b>Net cash from operating activities</b>	<b>1,648,278</b>	<b>2,100,779</b>

# Consolidated Cash Flow Statement for the year ended 31 December 2002 (continued)

	Note	2002 HK\$'000	2001 HK\$'000 restated
<b>Investing activities</b>			
Placement of deposits with banks		(12,876)	150,500
Placement of pledged bank deposit		(100,000)	–
Payment for purchase of fixed assets		(1,265,775)	(1,268,470)
Proceeds from sale of fixed assets		4,565	16,217
Payment for purchase of subsidiaries, net of cash acquired	33	(33,383)	–
New loans to associates		(15,307)	(500)
Payment for purchase of associate		(42,235)	–
Capital repayment from jointly controlled entity		2,915	4,062
Payment for purchase of investment in securities		–	(116,980)
Proceeds from sale of investment securities		–	16,646
Dividends received from listed securities		1,008	1,047
<b>Net cash used in investing activities</b>		<b>(1,461,088)</b>	<b>(1,197,478)</b>
<b>Financing activities</b>			
Dividends paid		(770,952)	(666,005)
Proceeds from new bank loans		2,896,000	313,500
Repayment of bank loans		(2,996,721)	(723,873)
Proceeds from other unsecured loans		24,000	–
Repayment of other unsecured loans		(7,316)	–
(Repayment to)/contributions by minority shareholders		(11,416)	189,850
<b>Net cash used in financing activities</b>		<b>(866,405)</b>	<b>(886,528)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(679,215)</b>	<b>16,773</b>
<b>Cash and cash equivalents at 1 January</b>		<b>2,086,350</b>	<b>2,069,605</b>
<b>Effect of foreign exchange rates</b>		<b>18,653</b>	<b>(28)</b>
<b>Cash and cash equivalents at 31 December</b>	24	<b>1,425,788</b>	<b>2,086,350</b>

The notes on pages 90 to 116 form part of these financial statements.