

## CONSOLIDATED CASH FLOW STATEMENT – UNAUDITED

for six months ended 30th June, in dollar thousands

		Six months ended 30th June	Year ended 31st December
	Note	2003	2002
			2002
<b>Operating activities</b>			
(Loss)/profit from ordinary activities before taxation		<b>(41,263)</b>	8,312
Adjustments for:			
Depreciation of fixed assets		<b>39,311</b>	40,389
Amortisation of goodwill		<b>373</b>	–
Interest expense		<b>2,383</b>	3,890
Interest income		<b>(2,249)</b>	(2,552)
Loss on disposal of fixed assets		<b>163</b>	286
Exchange difference		<b>111</b>	(130)
<b>Operating (loss)/profit before changes in working capital</b>		<b>(1,171)</b>	50,195
Increase in products in hand and in process		<b>(1,121)</b>	(1,186)
Decrease in materials and supplies		<b>2,330</b>	5,650
Decrease/(increase) in trade and other receivables		<b>62,745</b>	(16,919)
Increase in net amounts due from holding company and fellow subsidiaries		<b>(929)</b>	(5,883)
(Decrease)/increase in trade and other payables		<b>(7,907)</b>	954
(Decrease)/increase in retirement benefit liability		<b>(12,157)</b>	–
Increase in leased factory maintenance provision		<b>2,038</b>	2,057
<b>Cash generated from operations</b>		<b>43,828</b>	34,868
Tax paid			
Overseas tax paid		<b>–</b>	(5,344)
<b>Net cash from operating activities</b>		<b>43,828</b>	29,524
<b>Investing activities</b>			
Payment for purchase of fixed assets		<b>(3,923)</b>	(5,263)
Proceeds from sales of fixed assets		<b>38</b>	25
Purchase of held to maturity securities		<b>–</b>	(2)
Payment for purchase of minority interest		<b>(5,459)</b>	–
Proceeds on disposal of held to maturity securities		<b>–</b>	2
Interest received		<b>1,597</b>	1,952
<b>Net cash used in investing activities</b>		<b>(7,747)</b>	(3,286)

## CONSOLIDATED CASH FLOW STATEMENT – UNAUDITED (CONTINUED)

for six months ended 30th June, in dollar thousands

		Six months ended 30th June	Year ended 31st December
	Note	2003	2002
<b>Financing activities</b>			
Proceeds from new bank loan		66,283	195,000
Repayment of bank loans		(77,980)	(195,097)
Interest paid		(2,151)	(4,799)
Dividends paid		(7,471)	(14,943)
<b>Net cash used in financing activities</b>		<b>(21,319)</b>	<b>(52,684)</b>
<b>Net increase in cash and cash equivalents</b>		<b>14,762</b>	<b>23,413</b>
<b>Cash and cash equivalents at beginning of period/year</b>		<b>264,849</b>	<b>241,444</b>
<b>Effect of foreign exchange rate changes</b>		<b>(24)</b>	<b>(8)</b>
<b>Cash and cash equivalents at end of period/year</b>	11	<b>279,587</b>	<b>264,849</b>

The Notes on pages 11 to 16 form part of this interim financial report.