

CONSOLIDATED CASH FLOW STATEMENT

for the years ended 31st December, in dollar thousands

	Note	2003	2002
Operating activities			
(Loss)/profit from ordinary activities before taxation		(27,083)	43,580
Adjustments for:			
Depreciation of fixed assets		80,255	80,913
Interest expenses		4,416	6,924
Interest income		(4,461)	(5,250)
Loss on disposal of fixed assets		369	425
Amortisation of trademarks		1,627	–
Amortisation of goodwill		160	–
Foreign exchange loss		1,831	24
Operating profit before changes in working capital		57,114	126,616
Decrease in inventories		11,760	8,240
Decrease/(increase) in trade and other receivables		74,727	(15,277)
Decrease/(increase) in net amounts due from holding companies and fellow subsidiaries		416	(9,226)
Increase/(decrease) in trade and other payables		11,622	(28,273)
(Decrease)/increase in retirement benefit liability		(9,946)	542
Increase in leased factory maintenance provision		4,059	4,078
Cash generated from operations		149,752	86,700
Income tax			
Overseas tax paid		–	(5,342)
Net cash from operating activities		149,752	81,358
Investing activities			
Payment for purchase of fixed assets		(16,650)	(9,529)
Payment for purchase of trademarks		(39,040)	–
Proceeds from disposal of fixed assets		104	449
Payment for purchase of held to maturity securities		–	(2)
Proceeds from redemption of held to maturity securities		18,764	7
Payment for purchase of additional interest in a subsidiary	16	(5,478)	–
Interest received		4,579	3,814
Net cash used in investing activities		(37,721)	(5,261)
Financing activities			
Proceeds from new bank loans		66,004	272,998
Repayment of bank loans		(77,651)	(272,982)
Interest paid		(4,390)	(7,872)
Dividends paid		(7,471)	(44,828)
Net cash used in financing activities		(23,508)	(52,684)
Net increase in cash and cash equivalents		88,523	23,413
Cash and cash equivalents at beginning of year		264,849	241,444
Effect of foreign exchange rates changes		(408)	(8)
Cash and cash equivalents at end of year	21	352,964	264,849

The Notes on pages 33 to 51 form part of these financial statements.