

CONSOLIDATED CASH FLOW STATEMENT – UNAUDITED

for six months ended 30th June, in dollar thousands

		Six months ended 30th June	Year ended 31st December
	Note	2004	2003
			2003
Operating activities			
Loss from ordinary activities before taxation		(3,148)	(41,263)
Adjustments for:			
Depreciation of fixed assets		38,345	39,311
Interest expense		1,058	2,383
Interest income		(2,058)	(2,249)
Loss on disposal of fixed assets		656	163
Amortisation of trademarks		1,972	–
Amortisation of goodwill		137	373
Foreign exchange (gain)/loss		(568)	111
Operating profit/(loss) before changes in working capital		36,394	(1,171)
(Increase)/decrease in inventories		(429)	1,209
(Increase)/decrease in trade and other receivables		(6,513)	62,745
Decrease/(increase) in net amounts due from holding company and fellow subsidiaries		5,913	(929)
Increase/(decrease) in trade and other payables		9,192	(7,907)
Decrease in retirement benefit liability		–	(12,157)
Increase in leased factory maintenance provision		2,038	2,038
Net cash from operating activities		46,595	43,828
Investing activities			
Payment for purchase of fixed assets		(6,764)	(3,923)
Payment for purchase of trademarks		(49)	–
Proceeds from sales of fixed assets		281	38
Proceeds from redemption of held to maturity securities		6,596	–
Payment for purchase of additional interest in a subsidiary		–	(5,459)
Interest received		956	1,597
Net cash generated from/(used in) investing activities		1,020	(7,747)

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	2004	2003
Financing activities			
Proceeds from new bank loan		–	66,283
Repayment of bank loans		–	(77,980)
Interest paid		(1,005)	(4,390)
Dividends paid		–	(7,471)
Net cash used in financing activities		(1,005)	(23,508)
Net increase in cash and cash equivalents		46,610	88,523
Cash and cash equivalents at beginning of period/year		352,964	264,849
Effect of foreign exchange rate changes		745	(408)
Cash and cash equivalents at end of period/year	11	400,319	352,964

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