

**Consolidated Cash Flow Statement**

Year ended 31 December 2004

	Notes	2004 HK\$'000	2003 HK\$'000 (Restated)
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	32(a)	215,980	(168,499)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of fixed assets		(15,893)	(3,328)
Proceeds from disposal of fixed assets		150	189
Purchases of long term investments		(112,000)	(155)
Proceeds received from disposal of subsidiaries	32(b)	—	20,000
Proceeds received from partial disposal of a subsidiary		67,770	—
Interest received from bank deposits		4,459	4,416
Dividend received from an associate		4,095	4,094
Purchases of convertible debentures and notes		(16,000)	(55,000)
Proceeds from maturity of convertible notes receivable		32,053	55,340
Net cash inflow/(outflow) from investing activities		(35,366)	25,556
CASH FLOWS FROM FINANCING ACTIVITIES			
Additions of bank loans		140,000	305,000
Repayment of bank loans		(220,000)	(225,000)
Capital element of hire purchase rental payments		—	(22)
Interest paid		(5,374)	(5,306)
Interest element on hire purchase rental payments		—	(7)
Dividend paid		(16,907)	—
Dividends paid to minority shareholders		(5,555)	(3,562)
Repayment of convertible notes		(30,000)	—
Net cash inflow/(outflow) from financing activities		(137,836)	71,103
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		42,778	(71,840)
Cash and cash equivalents at beginning of year		522,979	594,819
CASH AND CASH EQUIVALENTS AT END OF YEAR		565,757	522,979
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances		29,166	112,743
Non-pledged time deposits with original maturity of less than three months when acquired		528,448	402,176
Time deposits with original maturity of less than three months when acquired, pledged as security for banking facilities		8,143	8,060
		565,757	522,979