

Consolidated Cash Flow Statement

Year ended 31 December 2005

| | Notes | 2005 HK\$'000 | 2004 HK\$'000 (Restated) |
|---|-------|------------------|--------------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Profit before tax | | 1,728,175 | 1,238,093 |
| Adjustments for: | | | |
| Finance costs | 7 | 754,076 | 798,172 |
| Share of profits of jointly-controlled entities | | (66,023) | (33,886) |
| Share of profits less losses of associates | | (38,420) | (44,660) |
| Interest income | 5 | (49,918) | (14,032) |
| Dividend income from available-for-sale investments | 5 | (274) | (4,923) |
| Depreciation | 6 | 412,478 | 426,579 |
| Changes in fair values of derivative financial instruments not qualified as hedges, net | 5 | (74,536) | — |
| Gain on disposal of available-for-sale investments | 5 | (9,588) | — |
| Recognition of prepaid land lease payments | 6 | 143,518 | 143,563 |
| Amortisation of deferred expenses | 6 | 3,420 | 37 |
| Amortisation of the operating right | 6 | 493,287 | 493,287 |
| Amortisation of prepaid rental | 6 | — | 69,646 |
| Amortisation of goodwill | 6 | — | 259 |
| Changes in fair value of investment properties | 6 | (67,309) | (38,214) |
| Impairment of items of property, plant and equipment | 6 | 289 | 113,681 |
| Provision for/(write-back of provision for) impairment of interests in jointly-controlled entities | 6 | 401 | (24,800) |
| Write-back of provision for impairment of a contractual joint venture | 6 | (54,752) | — |
| Write-back of provision for impairment of prepaid land lease payments | 6 | — | (9,902) |
| Loss on disposal of items of property, plant and equipment, net | 6 | 4,437 | 16,805 |
| Write-back of provision for an amount due from a fellow subsidiary | 6 | (1,910) | (573) |
| Write-back of provision for inventories, net | 6 | (211) | (293) |
| Provision for/(write-back of provision for) doubtful debts, net | 6 | (3,933) | 6,858 |
| Excess over the cost of business combinations/negative goodwill recognised as income | 5 | (57,911) | (14,700) |
| Equity-settled share option expenses | 38 | 1,260 | — |
| Operating profit before working capital changes — page 65 | | 3,116,556 | 3,120,997 |

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| Operating profit before working capital changes — page 64 | | 3,116,556 | 3,120,997 |
| Decrease in amounts due from jointly-controlled entities | | 72,511 | 5,621 |
| Increase in amounts due from associates | | (1,870) | — |
| Decrease in an amount due from a contractual joint venture | | 8,183 | — |
| (Increase)/decrease in an amount due from the immediate holding company | | 1,827 | (1,941) |
| Decrease in an amount due from a related company | | — | 69 |
| Increase in an amount due from an ultimate holding company | | (77) | — |
| (Increase)/decrease in amounts due from fellow subsidiaries | | 1,739 | (588) |
| (Increase)/decrease in inventories | | (5,332) | 330 |
| (Increase)/decrease in receivables, prepayments and deposits | | (236,022) | 260,574 |
| Increase in deferred expenditure | | (5,096) | — |
| Increase/(decrease) in trade payables, accruals and other liabilities | | 346,536 | (125,577) |
| Increase in amounts due to fellow subsidiaries | | 3,562 | 743 |
| Decrease in an amount due to the immediate holding company | | (113) | (1,041) |
| Increase/(decrease) in an amount due to the ultimate holding company | | (335) | 235 |
| Increase/(decrease) in amounts due to minority shareholders of subsidiaries | | 31,069 | (240) |
| Cash generated from operations | | 3,333,138 | 3,259,182 |
| Interest received | | 49,918 | 14,032 |
| Dividends from jointly-controlled entities | | 89,717 | — |
| Dividends from associates | | 14,862 | 17,746 |
| Hong Kong profits tax refunded/(paid) | | (77) | 88 |
| Mainland China tax paid | | (181,893) | (124,136) |
| Net cash inflow from operating activities — page 66 | | 3,305,665 | 3,166,912 |

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| Net cash inflow from operating activities — page 65 | | 3,305,665 | 3,166,912 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Dividend received from available-for-sale investments | | 274 | 4,923 |
| Purchases of available-for-sale investments | | (103,968) | (102,975) |
| Proceeds from sale of available-for-sale investments | | 189,387 | 4,528 |
| Purchases of items of property, plant and equipment | 14 | (249,766) | (114,506) |
| Additions to properties under development | 15 | (10,472) | (756) |
| Acquisition of a subsidiary | 40 | — | (29,060) |
| Acquisition of additional interests in subsidiaries | 40 | (435,122) | (11,396) |
| Disposal of a deconsolidated subsidiary | | — | 46,895 |
| Additional interest in an associate | | — | (14,149) |
| Proceeds from disposal of items of property, plant and equipment | | 4,899 | 1,803 |
| Proceeds from disposal of an investment property | | — | 1,500 |
| (Increase)/decrease in restricted cash and bank balances | | (269) | 8,491 |
| (Increase)/decrease in non-pledged bank deposits with original maturity of more than three months when acquired | | (415,312) | 3,653 |
| Net cash outflow from investing activities | | (1,020,349) | (201,049) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from issue of Ordinary Shares | 37 | 110,439 | 42,735 |
| Repayment of bank loans | | (1,062,127) | (1,065,657) |
| Other borrowing costs paid | 7 | (18,407) | — |
| Loan from the ultimate holding company | | — | 1,878 |
| Redemption of straight bonds | | — | (497,320) |
| Loan from a fellow subsidiary | | — | 1,261 |
| Repayment of a loan from a minority shareholder of a subsidiary | | — | (4,786) |
| Interest paid | 7 | (556,836) | (362,702) |
| Finance charges paid on cash flow hedges, net | 7 | (169,581) | — |
| Finance charges paid on derivative financial instruments not qualified as hedges | | (39,603) | — |
| Finance charges paid for interest rate swap agreements, net | 7 | — | (423,332) |
| Dividends paid to minority shareholders | | (78,843) | (224,515) |
| Dividends paid to shareholders | | (432,664) | (136,997) |
| Net cash outflow from financing activities | | (2,247,622) | (2,669,435) |
| NET INCREASE IN CASH AND CASH EQUIVALENTS — page 67 | | 37,694 | 296,428 |

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| NET INCREASE IN CASH AND CASH EQUIVALENTS — page 66 | | 37,694 | 296,428 |
| Cash and cash equivalents at beginning of year | | 1,567,557 | 1,270,629 |
| Effect of foreign exchange rate changes, net | | 18,350 | 500 |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | | 1,623,601 | 1,567,557 |
| ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS | 41(b) | | |
| Cash and bank balances | | 782,169 | 569,805 |
| Non-pledged bank deposits with original maturity of less than three months when acquired | | 841,432 | 997,752 |
| | | 1,623,601 | 1,567,557 |