

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st December 2005

	2005 HK\$'000	2004 HK\$'000 (As restated)
Profit before taxation	1,449,603	1,685,401
Adjustments for:		
Dividend income from listed equity investments	(5,231)	(5,529)
Dividend income from unlisted equity investments	(31,371)	(23,408)
Income from investments in other projects	(3,215)	(4,058)
Interest income	(156,115)	(95,216)
Interest expense	82,024	19,317
Rental income	(3,343)	(2,838)
Amortisation of goodwill	–	15,462
Amortisation of toll road operating right	41,950	41,626
Release of negative goodwill	–	(9)
Depreciation and amortisation of property, plant and equipment	211,538	119,843
Loss on disposal of property, plant and equipment	8,783	4,434
Impairment loss recognised in respect of investments in other projects	–	36,677
Impairment loss recognised in respect of investments in securities	–	35,855
Net gain on disposal of interests in subsidiaries, associates and jointly controlled entities	(180,661)	(698,523)
Net increase in fair value of investments held-for-trading/net unrealised holding gain on investments in securities	(19,260)	(85,928)
Impairment loss recognised on available-for-sale investments	9,648	–
Impairment loss on assets classified as held for sale	31,247	–
Amortisation of other intangible assets	6,978	–
Increase in fair value of investment properties	(7,133)	–
Impairment loss on bad and doubtful debts/allowance on doubtful debts and bad debts written off	24,424	19,135
Allowance for amount due from a jointly controlled entity	–	33,376
Gain on disposal of investments held-for-trading/other investments	(170,925)	(16,593)
Share of results of jointly controlled entities	(2,839)	(76,201)
Share of results of associates	(102,532)	(254,132)
Release of prepaid lease payments	5,500	2,196
Equity-settled share-based payment expense	6,138	2,800
Discount on acquisition of additional interests in subsidiaries	(2,324)	–
Impairment losses recognised in respect of goodwill relating to subsidiaries and interests in an associate and jointly controlled entities	26,185	191,232
Operating cash flows before movements in working capital	1,219,069	944,919
Increase in inventories	(197,012)	(226,227)
Decrease in investments held-for-trading	204,179	–
Decrease in trade and other receivables	3,110	8,832
(Decrease) increase in trade and other payables	(362,361)	218,378
Cash generated from operations	866,985	945,902
PRC income tax paid	(122,583)	(65,978)
Hong Kong Profits Tax paid	(100,721)	(114,672)
Hong Kong Profits Tax refunded	17,772	21
NET CASH FROM OPERATING ACTIVITIES	661,453	765,273

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st December 2005

	Notes	2005 HK\$'000	2004 HK\$'000 (As restated)
INVESTING ACTIVITIES			
Decrease in bank deposits		320,088	692,215
Dividends received from jointly controlled entities		286,812	103,474
Proceeds from disposal of interests in associates		199,601	–
Proceeds from disposal of interests in jointly controlled entities		222,628	104
Decrease (increase) in placement of deposits with financial institutions		188,962	(188,962)
Dividends received from associates		160,846	79,631
Interests received		155,924	95,216
Acquisition of subsidiaries (net of cash and cash equivalents acquired)	45	43,896	(390,815)
Proceeds from disposal of available-for-sale investments		36,509	–
Dividends received from unlisted equity investments		31,371	23,408
Proceeds from partial disposal of interest in a subsidiary		5,686	–
Dividends received from listed equity investments		5,231	5,524
Proceeds from disposal of property plant and equipment		4,836	3,028
Repayment from a minority shareholder of a subsidiary		4,255	2,295
Disposal of subsidiaries (net of cash and cash equivalents disposed of)	46	4,122	198,396
Rental income received		3,343	2,838
Income received from investments in other projects		3,215	4,058
Governments grants received		2,587	5,321
Proceeds from disposal of investment properties		1,782	–
Capital contributions to jointly controlled entities		(503,307)	(144,300)
Purchase of property, plant and equipment		(350,112)	(388,417)
Purchase of additional interest in subsidiaries		(83,368)	(7,063)
Loans advanced to a jointly controlled entity and a minority shareholder of a subsidiary		(68,350)	–
Deposit paid on acquisition of a subsidiary		(68,269)	–
Purchase of available-for-sale investments		(52,046)	–
Patents paid		(2,975)	–
Increase in prepaid lease payments		(1,569)	(2,697)
(Increase) decrease in deposits paid on acquisition of property, plant and equipment		(505)	3,193
Purchase of investments in securities		–	(2,478,720)
Proceeds from disposal of investments in securities		–	3,069,902
Repayment from an associate		–	3
NET CASH FROM INVESTING ACTIVITIES		551,193	687,632

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st December 2005

	2005 HK\$'000	2004 HK\$'000 (As restated)
FINANCING ACTIVITIES		
Dividends paid	(529,805)	(495,067)
Repayment of bank and other borrowings	(640,022)	(26,981)
Dividends paid to minority shareholders of subsidiaries	(110,994)	(101,561)
Interest paid on bank and other borrowings	(82,024)	(19,486)
Expenses incurred in connection with the issue of shares	(121)	(127)
Borrowings raised	524,617	105,778
Proceeds from issue of shares	104,160	147,143
Capital contributions by minority shareholders of subsidiaries	84,159	84,393
NET CASH USED IN FINANCING ACTIVITIES	(650,030)	(305,908)
NET INCREASE IN CASH AND CASH EQUIVALENTS	562,616	1,146,997
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	16,287	–
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	5,185,693	4,038,696
CASH AND CASH EQUIVALENTS AT END OF YEAR	5,764,596	5,185,693
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances and cash	6,040,400	5,766,464
Less: Bank deposits held for investment purpose	(275,804)	(505,299)
Bank deposit held as a security deposit	–	(75,472)
	5,764,596	5,185,693