

LE SAUNDA HOLDINGS LTD.
CONSOLIDATED CASH FLOW STATEMENT

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 28 FEBRUARY 2006**

	<i>Note</i>	2006 HK\$'000	2005 HK\$'000
Operating activities			
Net cash generated from operations	35	42,056	35,362
Interest paid	7	(180)	(259)
Overseas taxation paid		(9,867)	(14,217)
Net cash generated from operating activities		32,009	20,886
Investing activities			
Interest received		1,794	560
Purchase of property, plant and equipment	16	(21,620)	(15,799)
Proceeds from sales of property, plant and equipment		3	183
Prepayment for land use rights	18	(26,122)	—
Dividend received from a jointly controlled entity	20	—	9,425
Dividend received from available-for-sale financial asset	5	20,312	—
New restricted bank deposits	27	(9,386)	—
Net cash used in investing activities		(35,019)	(5,631)
Financing activities			
New short term bank loans		4,462	—
Repayment of short term bank loans		(2,650)	(3,838)
Issue of shares		3,185	53,647
Dividends paid		(37,021)	(18,008)
Net cash (used in)/generated from financing activities		(32,024)	31,801
Net (decrease)/increase in cash and cash equivalents		(35,034)	47,056
Effect of foreign exchange rate changes, net		3,820	—
Cash and cash equivalents at beginning of year		139,328	92,272
Cash and cash equivalents at end of year		108,114	139,328
Analysis of the balances of cash and cash equivalents			
Cash and bank balances		108,114	139,328