

CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 March 2006

	Notes	2006 HK\$'000	2005 HK\$'000 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		70,360	92,796
Adjustments for:			
Finance costs	6	589	135
Interest income	7	(7,890)	(3,385)
Depreciation	7	40,220	37,096
Amortisation of prepaid land lease payments	7	1,924	1,594
Allowance for doubtful debts	7	692	800
Provision/(write-back of provision) against inventories	7	(3,928)	2,526
Loss/(gain) on disposal of items of property, plant and equipment and prepaid land lease payments	7	(1,471)	871
Amortisation of a club membership	7	15	–
Reversal of impairment of long term investments	7	–	(318)
Fair value gain on revaluation of investment properties	7	(278)	–
Operating profit before working capital changes		100,233	132,115
Decrease in inventories		43,553	4,409
Decrease/(increase) in accounts and bills receivable		(19,562)	31,381
Decrease/(increase) in prepayments, deposits and other receivables		(6,171)	732
Increase/(decrease) in accounts and bills payable		132	(31,105)
Decrease in accrued liabilities and other payables		(4,259)	(2,760)
Cash generated from operations		113,926	134,772
Interest received		7,890	3,385
Interest paid		(589)	(135)
Hong Kong profits tax paid		(684)	(323)
Overseas taxes paid		(1,846)	(1,098)
Dividends paid		(68,378)	(68,757)
Net cash inflow from operating activities		50,319	67,844
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of items of property, plant and equipment	14	(24,670)	(55,774)
Proceeds from disposal of items of property, plant and equipment and prepaid land lease payments		11,518	402
Prepayment for land lease payments	15	(590)	–
Purchases of club memberships		–	(1,060)
Net cash outflow from investing activities		(13,742)	(56,432)

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Year ended 31 March 2006

	<i>Notes</i>	2006 HK\$'000	2005 <i>HK\$'000</i> (Restated)
CASH FLOWS FROM FINANCING ACTIVITIES			
New bank loans		27,874	30,079
Repayment of bank loans		(9,425)	(35,766)
Net cash inflow/(outflow) from financing activities		18,449	(5,687)
NET INCREASE IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at beginning of year		184,661	179,950
Effect of foreign exchange rate changes, net		833	(1,014)
CASH AND CASH EQUIVALENTS AT END OF YEAR		240,520	184,661
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	<i>21</i>	50,797	54,005
Time deposits with original maturity of less than three months	<i>21</i>	189,723	130,656
		240,520	184,661