

## Consolidated Cash Flow Statement

Year ended 31 March 2006

	<i>Notes</i>	<b>2006</b> <b>HK\$'000</b>	2005 HK\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		<b>58,858</b>	50,017
Adjustments for:			
Finance costs	7	<b>20,903</b>	980
Share of profit and loss of a jointly-controlled entity		<b>–</b>	11
Interest income	5, 6	<b>(3,276)</b>	(1,265)
Depreciation	6	<b>2,676</b>	1,690
Impairment loss on items of property, plant and equipment	6	<b>–</b>	5,121
Impairment of properties held for development	6	<b>5,883</b>	–
Impairment of properties under development	6	<b>1,251</b>	–
Loss/(gain) on disposal of items of property, plant and equipment	5, 6	<b>(5)</b>	99
Gain on disposal of subsidiaries	5, 6	<b>–</b>	(516)
Write-off of interest in a jointly-controlled entity	6	<b>15</b>	–
Changes in fair values of investment properties	6	<b>(58,797)</b>	(14,950)
Impairment of goodwill	6	<b>14,717</b>	–
Fair value loss on interest rate swaps not qualifying as hedges	6	<b>752</b>	–
Operating profit before working capital changes		<b>42,977</b>	41,187
Increase/(decrease) in an amount due to a jointly-controlled entity		<b>(4)</b>	1,600
Decrease in gross amount due from customers for contract work		<b>5,423</b>	64,129
Increase in properties held for development		<b>(109,817)</b>	–
Increase in properties under development		<b>(19,729)</b>	(41,952)
Decrease in accounts receivable		<b>22,880</b>	7,545
(Increase)/decrease in prepayments, deposits and other receivables		<b>(15,374)</b>	12,611
Increase/(decrease) in accounts payable		<b>(33,673)</b>	13,017
Increase in other payables and accruals		<b>4,057</b>	2,960
Increase/(decrease) in gross amount due to customers for contract work		<b>22,620</b>	(30,455)
Cash generated from/(used in) operations		<b>(80,640)</b>	70,642

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	<i>Notes</i>	<b>2006</b> <b>HK\$'000</b>	2005 HK\$'000
Cash generated from/(used in) operations		<b>(80,640)</b>	70,642
Interest received		<b>3,276</b>	1,265
Interest paid		<b>(21,798)</b>	(1,377)
Interest element on finance lease rental payments		<b>(2)</b>	(6)
Dividends paid		<b>-</b>	(9,408)
Hong Kong profits tax paid		<b>(7,085)</b>	(12,527)
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Net cash inflow/(outflow) from operating activities		<b>(106,249)</b>	48,589
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<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchases of items of property, plant and equipment	14	<b>(5,346)</b>	(21,211)
Purchases of investment properties	16	<b>(204,593)</b>	(198,050)
Payment for deposits for purchases of properties		<b>-</b>	(22,286)
Proceeds from disposals of items of property, plant and equipment		<b>11</b>	103
(Increase)/decrease in pledged time deposits		<b>22,038</b>	(8,418)
Acquisition of subsidiaries	33	<b>(2,464)</b>	(11,550)
Disposal of subsidiaries	34	<b>-</b>	2,795
Additional capital invested in a jointly-controlled entity		<b>-</b>	(1,600)
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Net cash outflow from investing activities		<b>(190,354)</b>	(260,217)
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<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
New bank loans		<b>437,547</b>	260,752
Repayment of bank loans		<b>(168,845)</b>	(65,920)
Capital element of finance lease rental payments		<b>(50)</b>	(50)
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Net cash inflow from financing activities		<b>268,652</b>	194,782
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<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(27,951)</b>	(16,846)
Cash and cash equivalents at beginning of year		<b>87,676</b>	104,522
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<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b>59,725</b>	87,676
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<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances	24	<b>27,703</b>	27,587
Non-pledged time deposits with original maturity of less than three months when acquired		<b>49,307</b>	56,026
Time deposits with original maturity of less than three months when acquired, pledged as security for bank overdraft facilities	24	<b>2,042</b>	4,063
Bank overdrafts	27	<b>(19,327)</b>	-
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		<b>59,725</b>	87,676
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