

Consolidated Cash Flow Statement

for the year ended 31 December 2006

	Note	2006		2005	
		HK\$M	HK\$M	HK\$M	HK\$M
Operating activities					
Net cash inflow from operations	34	16,745		16,578	
Operating interest paid		(4,407)		(3,858)	
Interest received		143		118	
Income tax paid		(1,009)		(1,085)	
Net cash inflow from operating activities			11,472		11,753
Investing activities					
Capital expenditure		(5,826)		(5,169)	
Capitalised interest paid		(289)		(283)	
Purchases of intangible assets		(10)		–	
Proceeds from disposal of fixed assets		143		215	
Proceeds from disposal of other assets		–		46	
Net cash outflow for acquisition of subsidiaries		–		(12,439)	
Acquisition of additional interest in a subsidiary	5(C)	(39)		–	
Investments in and advances to jointly controlled entities		(846)		(728)	
Dividends received from					
– jointly controlled entities		2,775		3,056	
– associated company		–		61	
Net cash outflow from investing activities			(4,092)		(15,241)
Net cash inflow/(outflow) before financing activities			7,380		(3,488)
Financing activities					
Proceeds from long-term borrowings		16,354		21,272	
Repayment of long-term borrowings		(17,161)		(11,070)	
Repayment of obligations under finance leases		(1,958)		(1,759)	
Increase in short-term borrowings		787		239	
Dividends paid		(5,876)		(5,587)	
Net cash (outflow)/inflow from financing activities			(7,854)		3,095
Net decrease in cash and cash equivalents			(474)		(393)
Cash and cash equivalents at beginning of year			2,041		2,520
Effect of exchange rate changes			46		(86)
Cash and cash equivalents at end of year			1,613		2,041
Analysis of balances of cash and cash equivalents					
Short-term investments			–		377
Deposits with banks			1,336		1,481
Cash at banks and on hand			277		183
			1,613		2,041

The notes on pages 144 to 193 are an integral part of these consolidated financial statements.