

Consolidated Cash Flow Statement

for the year ended 31 December 2006

	Note	2006 HK\$'000	2005 HK\$'000
Operating activities			
Profit before taxation		2,002,670	690,651
Adjustments for:			
– gain on disposal of building and interest in leasehold land		–	(90,478)
– net realised and unrealised gain on investments in securities carried at fair value		(7,786)	(365)
– dividend income		(630)	(20,168)
– interest income		(40,674)	(21,048)
– finance costs		106,305	69,131
– depreciation and amortisation		935,625	913,782
– loss on disposal of associate		–	5,727
– impairment loss on fixed assets		7,969	–
– impairment loss on goodwill		12,487	–
– impairment loss on media assets		2,100	3,026
– net gain on disposal of other fixed assets		(8,007)	(6,847)
– share of profits of associates		(51,718)	(53,397)
– share of loss/(profit) of jointly controlled entities		205	(282)
– gain on disposal of media assets		(44,043)	–
– gain on disposal of subsidiaries		(12,677)	–
Effect of foreign exchange rate		(6,960)	(1,923)
Operating profit before changes in working capital		2,894,866	1,487,809
(Increase)/decrease in spare parts and stores		(574)	2,531
Increase in trade and other receivables		(63,324)	(81,154)
Increase in deposits and prepayments		(26,953)	(30,657)
Increase in property under development		(530,332)	(323,755)
Decrease in completed property held for sale		461,140	–
Increase/(decrease) in accounts payable and accruals		137,835	(6,412)
Decrease/(increase) in amounts due from associates		8,682	(12,706)
Increase in instalments receivable from sale of properties		(1,868,337)	–
(Decrease)/increase in third party claims payable		(42,784)	7,068
Increase/(decrease) in contingency provision – insurance		82,451	(6,400)
(Decrease)/increase in provision for long service payments		(595)	1,632
Increase in employee benefit assets		(51,981)	(71,136)
Cash generated from operations		1,000,094	966,820
Interest received		40,598	21,146
Interest paid		(140,722)	(78,669)
Hong Kong Profits Tax paid		(110,340)	(134,907)
The People's Republic of China ("PRC") Income Tax paid		(968)	(483)
Net cash generated from operating activities		788,662	773,907

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for the year ended 31 December 2006

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Investing activities			
Increase in pledged bank deposits		(39,520)	–
Decrease/(increase) in bank deposits maturing in over three months		117,991	(128,420)
Payment for purchase of fixed assets		(599,458)	(536,064)
Payment for purchase of intangible assets		(1,756)	–
Decrease in non-current prepayments		14,708	43,925
Payment for media assets		(725)	(2,757)
Net cash inflow from disposal of subsidiaries	34(b)	9,349	–
Proceeds from disposal of fixed assets		8,266	110,550
Proceeds from disposal of media assets		72,086	–
Proceeds from disposal of associate		–	2,823
Proceeds from sale of investment securities		55,036	46,500
Payment for acquisition of subsidiaries	34(a)	(49,296)	(2,858)
New loan to associate		(28,302)	(9,458)
Repayment of loan from associate		8,583	–
Capital injection to jointly controlled entity		(6,000)	(10,500)
Dividends received from associates		29,868	–
Dividends received from investments in securities		630	1,575
Net cash used in investing activities		(408,540)	(484,684)
Financing activities			
Dividends paid to equity shareholders of the Company		(819,388)	(819,388)
Dividends paid to minority shareholders		(12,988)	(12,156)
Proceeds from new bank loans		3,605,000	2,695,000
Repayment of bank loans		(2,930,416)	(2,349,989)
Contribution by/(repayment to) minority shareholders		6,673	(9,319)
Net cash used in financing activities		(151,119)	(495,852)
Net increase/(decrease) in cash and cash equivalents		229,003	(206,629)
Cash and cash equivalents at 1 January		963,587	1,168,845
Effect of foreign exchange rate changes		3,926	1,371
Cash and cash equivalents at 31 December	27	1,196,516	963,587

The notes on pages 125 to 167 form part of these financial statements.