

Consolidated Cash Flow Statement

Year ended 31 December 2006

	Notes	2006 HK\$'000	2005 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		2,047,741	1,728,175
Adjustments for:			
Finance costs	7	653,149	754,076
Share of profits of jointly-controlled entities		(66,858)	(66,023)
Share of profits less losses of associates		(54,173)	(38,420)
Interest income	5	(72,270)	(49,918)
Dividend income from available-for-sale investments	5	(1,053)	(274)
Changes in fair values of derivative financial instruments not qualified as hedges, net	5	31,867	(74,536)
Gain on disposal of available-for-sale investments	5	(39,619)	(9,588)
Write-back of an other payable	5	(23,154)	—
Excess over the cost of business combinations	5	(3,939)	(57,911)
Depreciation	6	432,581	412,478
Recognition of prepaid land lease payments	6	158,250	143,518
Amortisation of deferred expenses	6	1,775	3,420
Amortisation of the operating right	6	493,287	493,287
Changes in fair value of investment properties	6	(86,248)	(67,309)
Impairment of items of property, plant and equipment	6	31,970	289
Impairment of interests in jointly-controlled entities	6	—	401
Write-back of impairment of a contractual joint venture	6	—	(54,752)
Loss/(gain) on disposal of items of property, plant and equipment, net	6	(22,596)	4,437
Write-back of impairment of an amount due from a fellow subsidiary	6	—	(1,910)
Provision/(write-back of provision) for inventories, net	6	1,582	(211)
Impairment/(write-back of impairment) of receivables	6	927	(3,933)
Equity-settled share option expense	6	3,366	1,260
Loss on disposal of subsidiaries	6	3,992	—
Operating profit before working capital changes — page 59		3,490,577	3,116,556

Consolidated Cash Flow Statement

Year ended 31 December 2006

	2006 HK\$'000	2005 HK\$'000
Operating profit before working capital changes — page 58	3,490,577	3,116,556
Decrease in amounts due from jointly-controlled entities	41,184	72,511
(Increase)/decrease in amounts due from associates	17,578	(1,870)
Decrease in an amount due from a contractual joint venture	—	8,183
(Increase)/decrease in an amount due from the immediate holding company	(206)	1,827
(Increase)/decrease in an amount due from the ultimate holding company	26	(77)
Decrease in amounts due from fellow subsidiaries	774	1,739
(Increase)/decrease in inventories	4,791	(5,332)
(Increase)/decrease in receivables, prepayments and deposits	46,780	(236,022)
Increase in other long term assets	—	(5,096)
Increase/(decrease) in payables, accruals and other liabilities	(140,014)	346,536
Increase in amounts due to fellow subsidiaries	20,556	3,562
Increase/(decrease) in an amount due to the immediate holding company	20,492	(113)
Increase/(decrease) in an amount due to the ultimate holding company	14,313	(335)
Increase/(decrease) in amounts due to minority shareholders of subsidiaries	(9,991)	31,069
Cash generated from operations	3,506,860	3,333,138
Interest received	72,270	49,918
Dividends from jointly-controlled entities	81,549	89,717
Dividends from associates	42,411	14,862
Hong Kong profits tax paid	(4,206)	(77)
Mainland China tax paid	(273,360)	(181,893)
Net cash inflow from operating activities — page 60	3,425,524	3,305,665

Consolidated Cash Flow Statement

Year ended 31 December 2006

	Notes	2006 HK\$'000	2005 HK\$'000
Net cash inflow from operating activities — page 59		3,425,524	3,305,665
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends received from available-for-sale investments		1,053	274
Purchases of available-for-sale investments		(10,301)	(103,968)
Proceeds from disposal of available-for-sale investments		58,265	189,387
Purchases of items of property, plant and equipment	14	(314,239)	(249,766)
Additions to properties under development	15	(14,294)	(10,472)
Acquisition of additional interests in subsidiaries	40(a)	(154,611)	(435,122)
Acquisition of a subsidiary	40(b)	7,336	—
Proceeds from disposal of items of property, plant and equipment		30,331	4,899
Proceeds from disposal of subsidiaries	41	33,119	—
Capital reduction of a subsidiary paid to a minority shareholder	19	(47,953)	—
(Increase)/decrease in restricted cash and bank balances		23,022	(269)
(Increase)/decrease in non-pledged bank deposits with original maturity of more than three months when acquired		65,526	(415,312)
Net cash outflow from investing activities		(322,746)	(1,020,349)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of new Ordinary Shares	37	59,694	110,439
New bank loans		1,274,000	—
Repayment of bank loans		(2,977,766)	(1,062,127)
Other borrowing costs paid	7	(45,124)	(18,407)
Interest paid	7	(595,332)	(556,836)
Finance charges paid on cash flow hedges, net	7	(12,693)	(169,581)
Finance charges paid on derivative financial instruments not qualified as hedges		(29,444)	(39,603)
Dividends paid to minority shareholders		(17,683)	(78,843)
Dividends paid to shareholders		(602,559)	(432,664)
Net cash outflow from financing activities		(2,946,907)	(2,247,622)
NET INCREASE IN CASH AND CASH EQUIVALENTS		155,871	37,694
Cash and cash equivalents at beginning of year		1,623,601	1,567,557
Effect of foreign exchange rate changes, net		47,270	18,350
CASH AND CASH EQUIVALENTS AT END OF YEAR		1,826,742	1,623,601
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
	42(b)		
Cash and bank balances		789,629	782,169
Non-pledged bank deposits with original maturity of less than three months when acquired		1,037,113	841,432
		1,826,742	1,623,601