

Consolidated Statement of Cash Flows

For the year ended 30 June 2010

(Expressed in millions of Hong Kong dollars)

| | Notes | 2010 | 2009 |
|---|-------|----------------|----------------|
| Operating activities | | | |
| Cash generated from operations | 31a | 9,340 | 11,432 |
| Hong Kong profits tax paid | | (1,306) | (2,164) |
| Outside Hong Kong tax paid | | (80) | (87) |
| Net cash from operating activities | | 7,954 | 9,181 |
| Investing activities | | | |
| Purchase of subsidiaries | 31b | — | (273) |
| Purchase of an associate | | (5) | (3) |
| Purchase of other financial assets | | (1,071) | (568) |
| Net (advances to)/repayment from associates and jointly controlled entities | | (668) | 3,127 |
| Additions to fixed assets | | (2,778) | (6,248) |
| Additions to investment properties | | (5,940) | (1,550) |
| Payment of telecommunications licence fees | | (101) | (76) |
| Proceeds from disposal of investment properties | | 3,100 | 59 |
| Proceeds from disposal of jointly controlled entities | | — | 8 |
| Proceeds from disposal of other financial assets | | 464 | 1,387 |
| Proceeds from disposal of fixed assets | | 5 | 7 |
| Interest received from investments | | 116 | 54 |
| Dividends received from listed investments | | 94 | 212 |
| Dividends received from unlisted investments | | 4 | 3 |
| Dividends received from associates and jointly controlled entities | | 2,159 | 1,491 |
| Loans and advances repaid | | 343 | 481 |
| Net cash used in investing activities | | (4,278) | (1,889) |
| Financing activities | | | |
| Bank and other borrowings raised | | 9,179 | 11,744 |
| Repayment of bank and other borrowings | | (6,010) | (10,239) |
| Decrease/(increase) in pledged bank deposits | | 49 | (57) |
| Interest paid | | (811) | (1,017) |
| Interest received | | 31 | 94 |
| Purchase of additional interests in subsidiaries | | (75) | (88) |
| Payment for repurchase of shares by a subsidiary | | (77) | (196) |
| Increase in fundings from non-controlling interests | | 83 | 343 |
| Dividends paid to shareholders | | (5,867) | (6,410) |
| Dividends paid to non-controlling interests | | (76) | (155) |
| Net cash used in financing activities | | (3,574) | (5,981) |
| Increase in cash and cash equivalents | | 102 | 1,311 |
| Cash and cash equivalents at beginning of year | | 7,649 | 6,384 |
| Effect of foreign exchange rates changes | | 21 | (46) |
| Cash and cash equivalents at end of year | 31c | 7,772 | 7,649 |