

# Consolidated Cash Flow Statement

for the year ended 31 December 2010

in HK\$ million	Note	2010	2009
<b>Cash flows from operating activities</b>			
Profit before taxation		12,367	7,926
Share of results of jointly controlled entities and associated companies		(2,630)	(2,660)
Net finance charges		348	624
Gain on leveraged foreign exchange contracts		–	(283)
Net exchange gain		(335)	(707)
Income from other financial assets		(53)	(3)
Depreciation and amortisation		1,630	1,186
Impairment losses		469	487
Net gain from sale of other financial assets		(1,228)	(86)
Provision for gas contract		468	–
Share-based payment		50	75
Gain on disposal of property, plant and equipment		(131)	(92)
Change in fair value of investment properties		(1,294)	(90)
Net gain from disposal/deemed disposal of jointly controlled entities and associated companies		(2,117)	(1,078)
Operating profit before working capital changes		7,544	5,299
Decrease in properties held for sale		2,143	874
Increase in inventories		(4,208)	(1,279)
Increase in debtors, accounts receivable, deposits and prepayments		(1,075)	(587)
Increase in creditors, accounts payable, deposits and accruals		4,568	3,715
Effect of foreign exchange rate changes		102	11
Cash generated from operating activities		9,074	8,033
Income taxes paid		(1,058)	(806)
Cash generated from operating activities after income taxes paid		8,016	7,227
Net payment for termination cost in respect of interest rate swaptions		–	(333)
Payment for leveraged foreign exchange contracts		(107)	(1,024)
Interest received		361	308
Interest paid		(3,051)	(2,419)
Realised exchange gain		138	400
Other finance charges and financial instruments		(187)	(62)
Net cash from consolidated activities before increase of properties under development		5,170	4,097
Increase in properties under development		(2,055)	(2,295)
<b>Net cash generated from consolidated activities</b>		<b>3,115</b>	<b>1,802</b>

<i>in HK\$ million</i>	Note	2010	2009
<b>Cash flows from investing activities</b>			
Purchase of			
Subsidiary companies (net of cash and cash equivalents acquired)	36	–	(240)
Additional interests in subsidiary companies		(21)	(1,817)
Properties under development for own use		(1,109)	(346)
Property, plant and equipment		(19,833)	(13,359)
Leasehold land – operating leases		(28)	(42)
Intangible assets		(1,377)	(1,589)
Other financial assets		(289)	(404)
Proceeds of			
Disposal of property, plant and equipment and investment properties		237	282
Sale of other financial assets		2,803	599
Disposal of interests in associated companies		2,797	7,451
Disposal of interests in jointly controlled entity		948	–
Increase in pledged deposits with banks		(68)	(66)
Net payments for non-current deposits		(1,836)	(171)
Investment in jointly controlled entities and associated companies		(208)	(25)
Deposit paid for acquisition of a subsidiary company		(66)	–
Repayment in loans to jointly controlled entities and associated companies		377	855
Dividend received from jointly controlled entities and associated companies		548	299
Income received from other financial assets		65	5
Deposits received from sale of business interest		298	2,249
<b>Net cash used in investing activities</b>		<b>(16,762)</b>	<b>(6,319)</b>
<b>Cash flows from financing activities</b>			
Issue of shares pursuant to the Plan	27	–	49
New borrowings		33,967	30,640
Repayment of loans		(15,914)	(22,238)
Decrease in non-controlling interests		(372)	(220)
Dividends paid to shareholders of the Company		(1,459)	(547)
<b>Net cash from financing activities</b>		<b>16,222</b>	<b>7,684</b>
<b>Net increase in cash and cash equivalents</b>		<b>2,575</b>	<b>3,167</b>
<b>Cash and cash equivalents at 1 January</b>		<b>21,303</b>	<b>18,117</b>
<b>Effect of foreign exchange rate changes</b>		<b>359</b>	<b>19</b>
<b>Cash and cash equivalents at 31 December</b>		<b>24,237</b>	<b>21,303</b>
<b>Analysis of the balances of cash and cash equivalents</b>			
Cash and bank deposits		24,558	21,553
Bank overdrafts and pledged deposits		(321)	(250)
		<b>24,237</b>	<b>21,303</b>