

Consolidated Cash Flow Statement for the Year Ended 30th June, 2001

(Expressed in Hong Kong dollars)

	NOTE	2001		2000	
		\$000's	\$000's	\$000's	\$000's
NET CASH INFLOW FROM OPERATING ACTIVITIES	(a)		39,819		16,579
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE					
Dividends received from a jointly controlled entity		-		32,463	
Dividends received from other investments		106		65	
Interest received		131,613		156,077	
Unclaimed dividends forfeited		332		248	
Dividends paid		(193,577)		(130,014)	
NET CASH (OUTFLOW)/INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			(61,526)		58,839
TAXATION					
Hong Kong profits tax (paid)/refund		(5,781)		32	
Overseas tax paid		(514)		-	
TAXATION (PAID)/REFUND			(6,295)		32
INVESTING ACTIVITIES					
Purchase of fixed assets		(231,107)		(391,205)	
Sales of fixed assets		3,590		2	
Repayment from/loans to jointly controlled entities		82,209		(35,631)	
NET CASH OUTFLOW FROM INVESTING ACTIVITIES			(145,308)		(426,834)
NET CASH OUTFLOW BEFORE FINANCING			(173,310)		(351,384)
FINANCING					
Nominal value of shares repurchased		(731)		-	
Premium paid on repurchase of shares		(18,127)		-	
NET CASH OUTFLOW FROM FINANCING			(18,858)		-
DECREASE IN CASH AND CASH EQUIVALENTS			(192,168)		(351,384)
EFFECT OF FOREIGN EXCHANGE RATES			(4,033)		2,305
CASH AND CASH EQUIVALENTS AT 1ST JULY			2,425,479		2,774,558
CASH AND CASH EQUIVALENTS AT 30TH JUNE	(b)		2,229,278		2,425,479

Consolidated Cash Flow Statement for the Year Ended 30th June, 2001 (Continued)

(Expressed in Hong Kong dollars)

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

(a) Reconciliation of operating profit to net cash inflow from operating activities

	<u>2001</u>	<u>2000</u>
	\$000's	\$000's
Operating profit	166,593	177,483
Net unrealised (gains)/losses on other investments at fair value	(222)	869
Interest income	(128,582)	(157,340)
Dividends from other investments	(106)	(65)
Depreciation	1,331	1,481
Gain on disposal of fixed assets	(597)	(2)
Decrease in debtors, deposits and prepayments	356	1,141
Increase in creditors and accruals	11,313	6,617
Decrease in provision for contingency reserves	(14,300)	(11,300)
Foreign exchange	4,033	(2,305)
	<u>39,819</u>	<u>16,579</u>

(b) Analysis of the balances of cash and cash equivalents as shown in the consolidated balance sheet

	<u>2001</u>	<u>2000</u>
	\$000's	\$000's
Deposits with banks maturing within three months of the balance sheet date	2,219,709	2,420,239
Cash at banks and in hand	<u>9,569</u>	<u>5,240</u>
	<u>2,229,278</u>	<u>2,425,479</u>