

# Consolidated Cash Flow Statement

For the year ended 31st March, 2004

	<b>2004</b>	2003
	<b>HK\$'000</b>	HK\$'000
OPERATING ACTIVITIES		
Profit before taxation	<b>255,855</b>	150,320
Adjustments for:		
Share of results of associates	<b>11,166</b>	(2,176)
Share of results of jointly controlled entities	<b>2,467</b>	7,485
Interest income	<b>(39,817)</b>	(25,959)
Interest expenses	<b>42,807</b>	50,565
Dividend income from investments in securities	<b>(1,203)</b>	(364)
Finance lease charges	<b>225</b>	138
Depreciation	<b>50,803</b>	57,883
Impairment loss on property, plant and equipment	–	1,218
Impairment loss on investments in securities	–	1,959
Impairment loss on goodwill	–	17,740
Reversal of impairment loss on properties for development	–	(930)
Impairment loss on club debenture	–	250
Release of negative goodwill	<b>(473)</b>	(78)
Amortisation of goodwill	<b>3,573</b>	1,859
Amortisation of intangible assets	<b>1,311</b>	680
Loss on liquidation of subsidiaries	<b>41</b>	–
Net loss on disposal of property, plant and equipment	<b>4,516</b>	11,524
Deficit on revaluation of investment properties	<b>9,257</b>	15,458
(Surplus) deficit on revaluation of properties for own use	<b>(431)</b>	16,532
Gain on disposal of a subsidiary	<b>(9)</b>	–
Gain on disposal of an associate	–	(309)
Loss on disposal of a jointly controlled entity	–	409
Operating cash flows before movements in working capital	<b>340,088</b>	304,204
(Increase) decrease in inventories	<b>(10,355)</b>	5,096
Decrease in properties for sale	<b>139,980</b>	64,010
Decrease in debtors, deposits and prepayments	<b>91,784</b>	42,632
Decrease (increase) in amounts due from customers for contract work	<b>102,977</b>	(185,234)
Increase in investments in securities	<b>(159,421)</b>	(159,398)
Increase in investment in partnership	<b>(3,843)</b>	–
(Decrease) increase in creditors, deposits and accruals	<b>(102,373)</b>	68,444
(Decrease) increase in unearned insurance premiums	<b>(57,037)</b>	54,408
Increase in outstanding insurance claims	<b>87,049</b>	117,962
Decrease in construction costs payable	<b>(6,367)</b>	(108,484)
Increase in amounts due to customers for contract work	<b>12,616</b>	75,806
Decrease in bills payable	<b>(32,378)</b>	(19,692)
Increase in deferred service income	<b>506</b>	2,220
Exchange difference	<b>(9,855)</b>	(7,108)
Cash generated from operations	<b>393,371</b>	254,866
Interest paid	<b>(46,677)</b>	(50,443)
Finance lease charges paid	<b>(225)</b>	(138)
Profits tax paid	<b>(68,044)</b>	(32,767)
Profits tax refunded	<b>2,952</b>	3,579
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>281,377</b>	175,097

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For the year ended 31st March, 2004

	2004 HK\$'000	2003 HK\$'000
<b>INVESTING ACTIVITIES</b>		
Interest received	37,627	23,010
Dividends received from associates	–	10,387
Dividends received from jointly controlled entities	–	4,650
Purchase of property, plant and equipment	(22,014)	(36,179)
Expenditure on intangible assets	(600)	–
Dividends received from investments in securities	1,203	364
Proceeds from disposal of property, plant and equipment	5,016	8,015
Purchase of additional interest in subsidiaries	(23,034)	(46,698)
Purchase of and additional investment in associates	(10,534)	(13,635)
Purchase of convertible notes	(5,125)	–
Purchase of club debenture	(550)	–
Proceeds from disposal of a jointly controlled entity	–	26
Net advances to associates	(31,120)	(1,146)
Repayments by jointly controlled entities	301	6
Increase in pledged deposits	(3,773)	(22,333)
Acquisition of subsidiaries	131,803	3,135
Withdrawal (Placing) of fixed deposits with maturity over three months	12,234	(20,034)
Proceeds from disposal of an associate	6,971	–
<b>NET CASH FROM (USED IN) INVESTING ACTIVITIES</b>	<b>98,405</b>	<b>(90,432)</b>
<b>FINANCING ACTIVITIES</b>		
Dividends paid	(19,672)	(23,780)
Dividends paid to minority shareholders of subsidiaries	(2,438)	(1,700)
New bank loans raised	476,142	350,490
Repayment of bank loans	(576,200)	(320,550)
Share issue expenses	(329)	(16)
Issue of new shares	16,665	–
Repayment of finance leases obligations	(1,034)	(1,260)
Contribution by minority shareholders of subsidiaries	7,660	4
Repayment of capital to minority shareholders of a subsidiary	–	(10,177)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(99,206)</b>	<b>(6,989)</b>
Increase in cash and cash equivalents	280,576	77,676
Cash and cash equivalents at beginning of the year	764,486	680,448
Effect of changes in foreign exchange rates	6,488	6,362
Cash and cash equivalents at end of the year	<b>1,051,550</b>	<b>764,486</b>
Analysis of the balance of cash and cash equivalents		
Bank balances and cash equivalents	1,058,805	786,660
Less: fixed deposits with maturity over three months	–	(20,034)
	<b>1,058,805</b>	<b>766,626</b>
Bank overdrafts	(7,255)	(2,140)
	<b>1,051,550</b>	<b>764,486</b>