Consolidated Cash Flow Statement

Year ended 31 December 2004

HK\$'000	Notes	2004	2003
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		306,217	338,172
Adjustments for:			
Finance costs	6	87,516	78,164
Share of profits and losses of:			
A jointly-controlled entity		(20,675)	(759)
Associates		(56,258)	(18,904)
Depreciation	5	70,354	53,914
Amortisation of goodwill	5	63,220	62,826
Amortisation of trading right	5	300	300
Provision for doubtful debts	5	3,170	7,117
Write-back of provision against loans receivable	5	-	(30,000)
Provision against inventories	5	5,970	13,597
Unrealised losses/(gains) on revaluation of			
short term investments	5	(27,359)	432
Provisions for product warranties and			
long service payments, net	32	4,765	5,248
Write-back of provision for a foreseeable loss			
on properties held for sale	5	(5,469)	(23,967)
Dividend income from listed investments	5	(7,115)	(2,603)
Gain on disposal of subsidiaries	5	(90,795)	(13,402)
Loss/(gain) on disposal of fixed assets, net	5	1,304	(3,755)
Provision for losses on open foreign exchange positions	5	-	21,533
Rental income, net	5	(20,022)	(16,540)
Interest income	5	(30,104)	(39,845)
Operating profit before working capital changes		285,019	431,528
Increase in short term investments		(38,311)	(7,244)
Increase in inventories		(1,499,475)	(374,105)
Decrease in properties held for sale		131,494	129,594
Increase in trade receivables and sundry receivables		(388,067)	(188,581)
Decrease/(increase) in loans receivable		547,688	(1,207)
Decrease/(increase) in cash held on behalf of securities clients		7,051	(8,490)
Increase in trade and bills payables, and sundry payables and accruals		489,865	993,173
Decrease in provisions of product warranties and			
long service payments		(15,315)	(10,583)
Cash generated from/(used in) operations		(480,051)	964,085

Consolidated Cash Flow Statement (Continued) Year ended 31 December 2004

HKS '000 Notes 2004 2003 Cash generated from/(used in) operations (480,051) 964,085 Dividends received from listed investments 20,022 16,540 Interest received 19,460 35,089 Hong Kong profits tax paid (6,160) (41,152) Overseas taxes paid (13,876) (82,133) Net cash inflow/(outflow) from operating activities (453,490) 932,032 CASH FLOWS FROM INVESTING ACTIVITIES - 16,874 Dividends from associates 4,410 23,993 Dividend from a sonciates 13 (0,89,474) 4,576 Investments in associates 13 (398,540) (18,5642) Proceeds from disposal of fixed assets 38(d) (17,901) - Proceeds from disposal of subsidiaries 38(d) (17,901) - Proceeds from disposal of subsidiaries 38(d) (219,979) (77,269) Decrease/(increase) in pledged time deposits 669,196 (141,436,533) Additions to properties under development (28,535) (28,535)				
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CASH FLOWS FROM INVESTING ACTIVITIES4,41023,993Dividends from associates4,41023,993Dividend from a jointly-controlled entity–16,874Other interest received10,6444,756Investments in associates–(3)Purchases of fixed assets3,7319,018Purchases of fixed assets20,41024,653Additional interests in subsidiaries38(d)(17,901)Proceeds from disposal of subsidiaries38(e)225,2834Additional interests in subsidiaries38(e)61,138Additions to long term investments(225,414)(87,350)Additions to properties under development(219,979)(77,269)Decrease/(increase) in pledged time deposits66,9196(141,436)Net cash inflow/(outflow) from investing activities160,529(262,130)CASH FLOWS FROM FINANCING ACTIVITIES160,529(262,130)Interest paid(88,867)(86,895)Dividend paid(28,535)(28,535)Proceeds from exercise of warrants295,053-Repayment of short term bank loans and other loan(14,39,888)(470,519)Repayment of long term bank loans(139,761)(65,000)Increase in trust receipt loans31,488108,767New long term bank loans(139,761)(65,000)Increase in trust receipt loans31,488108,767New long term bank loans and other loan(1,254,080)200,965New long term bank loans(16,771)(16,778) </td <td>Overseas taxes paid</td> <td></td> <td>(13,876)</td> <td>(82,133)</td>	Overseas taxes paid		(13,876)	(82,133)
Dividends from associates4,41023,993Dividend from a jointly-controlled entity-16,874Other interest received10,6444,756Investments in associates-(3)Repayment from associates3,7319,018Purchases of fixed assets13(398,540)(1185,642)Proceeds from disposal of fixed assets20,41024,653Additional interests in subsidiaries38(d)(17,901)-Proceeds from disposal of subsidiaries38(e)252,834150,276Proceeds from acquisition of a subsidiary38(e)663,196(141,436)Additions to long term investments(212,5414)(87,350)Additions to properties under development(219,979)(77,269)Decrease/(increase) in pledged time deposits669,196(141,436)Net cash inflow/(outflow) from investing activities160,529(262,130)CASH FLOWS FROM FINANCING ACTIVITIESInterest paid(28,867)(28,853)Dividend paid(28,535)Proceeds from exercise of warrants295,053-Repayment of long term bank loans and other loan(14,39,888)(470,519)Repayment of long term bank loans and other loan(14,39,888)(200,965New short term bank loans and other loan38,2245157,215Additions to minority interests in investments in subsidiaries38,65215,446Repayment to minority interests in subsidiaries38,65215,446Repayment to minori	Net cash inflow/(outflow) from operating activities		(453,490)	932,032
Dividend from a jointly-controlled entity-16,874Other interest received10,6444,756Investments in associates-(3)Repayment from associates3,7319,018Purchases of fixed assets13(398,540)(185,642)Proceeds from disposal of fixed assets20,41024,653Additional interests in subsidiaries38(d)(17,901)-Proceeds from disposal of subsidiaries38(c)252,834150,276Proceeds from acquisition of a subsidiary38(e)61,138-Additions to properties under development(219,797)(77,269)Decrease/(increase) in pledged time deposits669,196(141,436)Net cash inflow/(outflow) from investing activities160,529(226,130)CASH FLOWS FROM FINANCING ACTIVITIESInterest paid(28,867)(28,535)Droceeds from exercise of warrants295,053-Repayment of short term bank loans and other loan(14,39,888)(470,519)Repayment of long term bank loans and other loan(14,39,888)(200,965New short term bank loans and other loan33,245157,215Additions to minority interests in investments in subsidiaries38,62215,446Repayment to minority interests upon liquidation of subsidiaries-(1,557)Net cash inflow/(outflow) from financing activities286,6312(16,678)Repayment to minority interests upon liquidation of subsidiaries-(1,557)Net cash inflow/(outflow) from fi	CASH FLOWS FROM INVESTING ACTIVITIES			
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Investments in associates-(3)Repayment from associates3,7319,018Purchases of fixed assets13(398,540)(185,642)Proceeds from disposal of fixed assets20,41024,653Additional interests in subsidiaries38(d)(17,901)-Proceeds from disposal of subsidiaries38(c)252,834150,276Proceeds from acquisition of a subsidiary38(c)61,138-Additions to long term investments(225,414)(87,350)Additions to properties under development(219,979)(77,269)Decrease/(increase) in pledged time deposits669,196(141,436)Net cash inflow/(outflow) from investing activities160,529(262,130)CASH FLOWS FROM FINANCING ACTIVITIESInterest paid(88,867)(86,895)Dividend paid(28,535)(28,535)Proceeds from exercise of warrants295,053Repayment of short term bank loans and other loan(1,439,888)(470,519)Increase in trust receipt loans31,488108,767New short term bank loans and other loan1,254,080200,965New long term bank loans and other loan38,65215,7215Additions to minority interests in investments in subsidiaries38,65215,446Repayment to minority interests in investments in subsidiaries-(1,577)Net cash inflow/(outflow) from financing activities-(1,577)Net cash inflow/(outflow) from financing activities <tr< td=""><td>Dividend from a jointly-controlled entity</td><td></td><td>-</td><td>16,874</td></tr<>	Dividend from a jointly-controlled entity		-	16,874
Repayment from associates 3,731 9,018 Purchases of fixed assets 13 (398,540) (185,642) Proceeds from disposal of fixed assets 20,410 24,653 Additional interests in subsidiaries 38(d) (17,901) - Proceeds from disposal of subsidiaries 38(c) 252,834 150,276 Proceeds from acquisition of a subsidiary 38(c) 61,138 - Additions to ong term investments (225,414) (87,350) Additions to properties under development (219,979) (77,269) Decrease/(increase) in pledged time deposits 669,196 (141,436) Net cash inflow/(outflow) from investing activities 160,529 (262,130) CASH FLOWS FROM FINANCING ACTIVITIES - - Interest paid (88,867) (88,853) - Repayment of short term bank loans and other loan (14,39,888) (470,519) Repayment of long term bank loans and other loan 1,254,080 200,965 New short term bank loans and other loan 1,254,080 200,965 New short term bank loans and other loan <t< td=""><td>Other interest received</td><td></td><td>10,644</td><td>4,756</td></t<>	Other interest received		10,644	4,756
Purchases of fixed assets 13 (398,540) (185,642) Proceeds from disposal of fixed assets 20,410 24,653 Additional interests in subsidiaries 38(d) (17,901) - Proceeds from disposal of subsidiaries 38(c) 252,834 150,276 Proceeds from acquisition of a subsidiary 38(e) 61,138 - Additions to long term investments (225,414) (87,350) Additions to properties under development (219,979) (77,269) Decrease/(increase) in pledged time deposits 669,196 (141,436) Net cash inflow/(outflow) from investing activities 160,529 (262,130) CASH FLOWS FROM FINANCING ACTIVITIES Interest paid (88,867) (86,895) Dividend paid (28,535) (28,535) (28,535) - Repayment of short term bank loans and other loan (14,39,888) (470,519) Repayment of long term bank loans (139,761) (65,000) Increase in trust receipt loans 31,488 108,767 New short term bank loans and other loan 1,254,080 200,965	Investments in associates		-	(3)
Proceeds from disposal of fixed assets20,41024,653Additional interests in subsidiaries38(d)(17,901)-Proceeds from disposal of subsidiaries38(c)252,834150,276Proceeds from acquisition of a subsidiary38(e)61,138-Additions to long term investments(225,414)(87,350)Additions to properties under development(219,979)(77,269)Decrease/(increase) in pledged time deposits669,196(141,436)Net cash inflow/(outflow) from investing activities160,529(262,130)CASH FLOWS FROM FINANCING ACTIVITIES(88,867)(86,895)Interest paid(28,535)(28,535)(28,535)Proceeds from exercise of warrants295,053-Repayment of short term bank loans and other loan(1,439,888)(470,519)Increase in trust receipt loans31,488108,767New short term bank loans and other loan1,254,080200,965New long term bank loans and other loan1,254,080200,965New long term bank loans382,245157,215Additions to minority interests in investments in subsidiaries38,65215,446Repayment to minority interests upon liquidation of subsidiaries-(1,557)Net INCREASE/DECREASE] IN CASH(6,649)483,311Cash and cash equivalents at beginning of year934,746447,472Effect of foreign exchange rate changes, net14,7483,963	Repayment from associates		3,731	9,018
Additional interests in subsidiaries38(d)(17,901)-Proceeds from disposal of subsidiaries38(c)252,834150,276Proceeds from acquisition of a subsidiary38(e)61,138-Additions to long term investments(225,414)(87,350)Additions to properties under development(219,979)(77,269)Decrease/(increase) in pledged time deposits669,196(141,436)Net cash inflow/(outflow) from investing activities160,529(262,130)CASH FLOWS FROM FINANCING ACTIVITIESInterest paid(28,535)(28,535)Dividend paid(28,535)(28,535)Proceeds from exercise of warrants295,053-Repayment of short term bank loans and other loan(1,439,888)(470,519)Repayment of long term bank loans and other loan(1,439,680)(200,965)New short term bank loans and other loan1,254,080200,965New short term bank loans and other loan1,254,080200,965New short term bank loans and other loan(18,751)(64,701)New short term bank loans and other loan1,254,080200,965New short term bank loans38,652157,215Additions to minority interests in investments in subsidiaries38,65215,446Repayment to minority interests upon liquidation of subsidiaries-(1,557)Net cash inflow/(outflow) from financing activities286,312(186,591)NET INCREASE/(DECREASE) IN CASH-(1,557)AND CASH EQUIVALENTS <td< td=""><td>Purchases of fixed assets</td><td>13</td><td>(398,540)</td><td>(185,642)</td></td<>	Purchases of fixed assets	13	(398,540)	(185,642)
Proceeds from disposal of subsidiaries38(c)252,834150,276Proceeds from acquisition of a subsidiary38(c)61,138-Additions to long term investments(225,414)(87,350)Additions to properties under development(219,979)(77,269)Decrease/(increase) in pledged time deposits669,196(141,436)Net cash inflow/(outflow) from investing activities160,529(262,130)CASH FLOWS FROM FINANCING ACTIVITIES160,529(262,130)Interest paid(88,867)(86,895)Dividend paid(28,535)(28,535)Proceeds from exercise of warrants295,053-Repayment of short term bank loans and other loan(1,439,888)(470,519)Increase in trust receipt loans31,488108,767New short term bank loans and other loan1,254,080200,965New long term bank loans38,652157,215Additions to minority interests in investments in subsidiaries38,65215,446Repayment to minority interests(18,155)(16,478)Repayment to minority interests upon liquidation of subsidiaries-(1,557)Net cash inflow/(outflow) from financing activities-(1,557)Net cash inflow/(outflow) from financing activities286,312(186,591)NET INCREASE/(DECREASE) IN CASH(6,649)483,311Cash and cash equivalents at beginning of year934,746447,472Effect of foreign exchange rate changes, net14,7483,963	Proceeds from disposal of fixed assets		20,410	24,653
Proceeds from acquisition of a subsidiary38(e)61,138-Additions to long term investments(225,414)(87,350)Additions to properties under development(219,979)(77,269)Decrease/(increase) in pledged time deposits669,196(141,436)Net cash inflow/(outflow) from investing activities160,529(262,130)CASH FLOWS FROM FINANCING ACTIVITIESInterest paid(88,867)(86,895)Dividend paid(28,535)(28,535)Proceeds from exercise of warrants295,053-Repayment of short term bank loans and other loan(1,439,888)(470,519)Repayment of long term bank loans(139,761)(65,000)Increase in trust receipt loans31,488108,767New short term bank loans and other loan1,254,080200,965New long term bank loans and other loan1,254,080200,965New long term bank loans38,65215,7215Additions to minority interests in investments in subsidiaries38,65215,446Repayment to minority interests upon liquidation of subsidiaries-(1,557)Net cash inflow/(outflow) from financing activities286,312(186,591)NET INCREASE/(DECREASE) IN CASHAND CASH EQUIVALENTS(6,649)483,311Cash and cash equivalents at beginning of year934,746447,472Effect of foreign exchange rate changes, net14,7483,963-	Additional interests in subsidiaries	38(d)	(17,901)	-
Additions to long term investments(225,414)(87,350)Additions to properties under development(219,979)(77,269)Decrease/(increase) in pledged time deposits669,196(141,436)Net cash inflow/(outflow) from investing activities160,529(262,130)CASH FLOWS FROM FINANCING ACTIVITIES160,529(262,130)Interest paid(88,867)(86,895)Dividend paid(28,535)(28,535)Proceeds from exercise of warrants295,053-Repayment of short term bank loans and other loan(1,439,888)(470,519)Repayment of long term bank loans(139,761)(65,000)Increase in trust receipt loans31,488108,767New short term bank loans and other loan1,254,080200,965New long term bank loans and other loan1,254,080200,965New long term bank loans382,245157,215Additions to minority interests in investments in subsidiaries38,65215,446Repayment to minority interests upon liquidation of subsidiaries-(1,557)Net cash inflow/(outflow) from financing activities286,312(186,591)NET INCREASE/(DECREASE) IN CASHAND CASH EQUIVALENTS(6,649)483,311Cash and cash equivalents at beginning of year934,746447,472Effect of foreign exchange rate changes, net14,7483,963	Proceeds from disposal of subsidiaries	38(c)	252,834	150,276
Additions to properties under development(219,979)(77,269)Decrease/(increase) in pledged time deposits669,196(141,436)Net cash inflow/(outflow) from investing activities160,529(262,130)CASH FLOWS FROM FINANCING ACTIVITIESInterest paid(88,867)(86,895)Dividend paid(28,535)(28,535)Proceeds from exercise of warrants295,053-Repayment of short term bank loans and other loan(1,439,888)(470,519)Repayment of long term bank loans(139,761)(65,000)Increase in trust receipt loans31,488108,767New short term bank loans and other loan1,254,080200,965New long term bank loans and other loan(18,155)(16,478)Repayment to minority interests in investments in subsidiaries38,65215,446Repayment to minority interests upon liquidation of subsidiaries-(1,557)Net cash inflow/(outflow) from financing activities286,312(186,591)NET INCREASE/(DECREASE) IN CASHAND CASH EQUIVALENTS(6,649)4483,311Cash and cash equivalents at beginning of year934,746447,472Effect of foreign exchange rate changes, net14,7483,963	Proceeds from acquisition of a subsidiary	38(e)	61,138	-
Decrease/(increase) in pledged time deposits669,196(141,436)Net cash inflow/(outflow) from investing activities160,529(262,130)CASH FLOWS FROM FINANCING ACTIVITIESInterest paid(88,867)(86,895)Dividend paid(28,535)(28,535)Proceeds from exercise of warrants295,053-Repayment of short term bank loans and other loan(1,439,888)(470,519)Repayment of long term bank loans(139,761)(65,000)Increase in trust receipt loans31,488108,767New short term bank loans and other loan1,254,080200,965New long term bank loans and other loan382,245157,215Additions to minority interests in investments in subsidiaries38,65215,446Repayment to minority interests upon liquidation of subsidiaries-(1,557)Net cash inflow/(outflow) from financing activities286,312(186,591)NET INCREASE/(DECREASE) IN CASH(6,649)483,311Cash and cash equivalents at beginning of year934,746447,472Effect of foreign exchange rate changes, net14,7483,963	Additions to long term investments		(225,414)	(87,350)
Net cash inflow/(outflow) from investing activities160,529(262,130)CASH FLOWS FROM FINANCING ACTIVITIESInterest paid(88,867)(86,895)Dividend paid(28,535)(28,535)Proceeds from exercise of warrants295,053-Repayment of short term bank loans and other loan(1,439,888)(470,519)Repayment of long term bank loans(139,761)(65,000)Increase in trust receipt loans31,488108,767New short term bank loans and other loan1,254,080200,965New long term bank loans382,245157,215Additions to minority interests in investments in subsidiaries38,65215,446Repayment to minority interests upon liquidation of subsidiaries-(1,557)Net cash inflow/(outflow) from financing activities286,312(186,591)NET INCREASE/(DECREASE) IN CASHAND CASH EQUIVALENTS(6,649)483,311Cash and cash equivalents at beginning of year934,746447,472Effect of foreign exchange rate changes, net14,7483,963-	Additions to properties under development		(219,979)	(77,269)
CASH FLOWS FROM FINANCING ACTIVITIES(88,867)Interest paid(88,867)Dividend paid(28,535)Proceeds from exercise of warrants295,053Proceeds from exercise of warrants295,053Repayment of short term bank loans and other loan(1,439,888)(470,519)Repayment of long term bank loans(139,761)Increase in trust receipt loans31,488New short term bank loans and other loan1,254,080New short term bank loans and other loan1,254,080New long term bank loans382,245New long term bank loans388,652New long term bank loans388,652New long term bank loans(16,478)Repayment to minority interests in investments in subsidiaries38,652Net cash inflow/(outflow) from financing activities286,312NET INCREASE/(DECREASE) IN CASH(6,649)AND CASH EQUIVALENTS(6,649)Cash and cash equivalents at beginning of year934,746Harry Effect of foreign exchange rate changes, net14,7483,963	Decrease/(increase) in pledged time deposits		669,196	(141,436)
Interest paid(88,867)(86,895)Dividend paid(28,535)(28,535)Proceeds from exercise of warrants295,053-Repayment of short term bank loans and other loan(1,439,888)(470,519)Repayment of long term bank loans(139,761)(65,000)Increase in trust receipt loans31,488108,767New short term bank loans and other loan1,254,080200,965New long term bank loans382,245157,215Additions to minority interests in investments in subsidiaries38,65215,446Repayment to minority interests upon liquidation of subsidiaries-(1,557)Net cash inflow/(outflow) from financing activities286,312(186,591)NET INCREASE/(DECREASE) IN CASH(6,649)483,311Cash and cash equivalents at beginning of year934,746447,472Effect of foreign exchange rate changes, net14,7483,963	Net cash inflow/(outflow) from investing activities		160,529	(262,130)
Dividend paid(28,535)(28,535)Proceeds from exercise of warrants295,053-Repayment of short term bank loans and other loan(1,439,888)(470,519)Repayment of long term bank loans(139,761)(65,000)Increase in trust receipt loans31,488108,767New short term bank loans and other loan1,254,080200,965New long term bank loans and other loan1,254,080200,965New long term bank loans382,245157,215Additions to minority interests in investments in subsidiaries38,65215,446Repayment to minority interests upon liquidation of subsidiaries-(1,557)Net cash inflow/(outflow) from financing activities286,312(186,591)NET INCREASE/(DECREASE) IN CASH(6,649)483,311AND CASH EQUIVALENTS(6,649)483,311Cash and cash equivalents at beginning of year934,746447,472Effect of foreign exchange rate changes, net14,7483,963	CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from exercise of warrants295,053-Repayment of short term bank loans and other loan(1,439,888)(470,519)Repayment of long term bank loans(139,761)(65,000)Increase in trust receipt loans31,488108,767New short term bank loans and other loan1,254,080200,965New long term bank loans382,245157,215Additions to minority interests in investments in subsidiaries38,65215,446Repayment to minority interests upon liquidation of subsidiaries-(1,557)Net cash inflow/(outflow) from financing activities286,312(186,591)NET INCREASE/(DECREASE) IN CASH(6,649)483,311Cash and cash equivalents at beginning of year934,746447,472Effect of foreign exchange rate changes, net14,7483,963	Interest paid		(88,867)	(86,895)
Repayment of short term bank loans and other loan(1,439,888)(470,519)Repayment of long term bank loans(139,761)(65,000)Increase in trust receipt loans31,488108,767New short term bank loans and other loan1,254,080200,965New long term bank loans382,245157,215Additions to minority interests in investments in subsidiaries38,65215446Repayment to minority interests upon liquidation of subsidiaries(18,155)(16,478)Net cash inflow/(outflow) from financing activities286,312(186,591)NET INCREASE/(DECREASE) IN CASH(6,649)483,311Cash and cash equivalents at beginning of year934,746447,472Effect of foreign exchange rate changes, net14,7483,963	Dividend paid		(28,535)	(28,535)
Repayment of long term bank loans(139,761)(65,000)Increase in trust receipt loans31,488108,767New short term bank loans and other loan1,254,080200,965New long term bank loans382,245157,215Additions to minority interests in investments in subsidiaries38,65215,446Repayment to minority interests(18,155)(16,478)Repayment to minority interests upon liquidation of subsidiaries-(1,557)Net cash inflow/(outflow) from financing activities286,312(186,591)NET INCREASE/(DECREASE) IN CASH(6,649)483,311Cash and cash equivalents at beginning of year934,746447,472Effect of foreign exchange rate changes, net14,7483,963	Proceeds from exercise of warrants		295,053	-
Increase in trust receipt loans31,488108,767New short term bank loans and other loan1,254,080200,965New long term bank loans382,245157,215Additions to minority interests in investments in subsidiaries38,65215,446Repayment to minority interests(18,155)(16,478)Repayment to minority interests upon liquidation of subsidiaries-(1,557)Net cash inflow/(outflow) from financing activities286,312(186,591)NET INCREASE/(DECREASE) IN CASH(6,649)483,311Cash and cash equivalents at beginning of year934,746447,472Effect of foreign exchange rate changes, net14,7483,963	Repayment of short term bank loans and other loan		(1,439,888)	(470,519)
New short term bank loans and other loan1,254,080200,965New long term bank loans382,245157,215Additions to minority interests in investments in subsidiaries38,65215,446Repayment to minority interests(18,155)(16,478)Repayment to minority interests upon liquidation of subsidiaries-(1,557)Net cash inflow/(outflow) from financing activities286,312(186,591)NET INCREASE/(DECREASE) IN CASH(6,649)483,311Cash and cash equivalents at beginning of year934,746447,472Effect of foreign exchange rate changes, net14,7483,963	Repayment of long term bank loans		(139,761)	(65,000)
New long term bank loans382,245157,215Additions to minority interests in investments in subsidiaries38,65215,446Repayment to minority interests(18,155)(16,478)Repayment to minority interests upon liquidation of subsidiaries-(1,557)Net cash inflow/(outflow) from financing activities286,312(186,591)NET INCREASE/(DECREASE) IN CASHAND CASH EQUIVALENTS(6,649)483,311Cash and cash equivalents at beginning of year934,746447,472Effect of foreign exchange rate changes, net14,7483,963	Increase in trust receipt loans		31,488	108,767
Additions to minority interests in investments in subsidiaries38,65215,446Repayment to minority interests(18,155)(16,478)Repayment to minority interests upon liquidation of subsidiaries-(1,557)Net cash inflow/(outflow) from financing activities286,312(186,591)NET INCREASE/(DECREASE) IN CASH(6,649)483,311Cash and cash equivalents at beginning of year934,746447,472Effect of foreign exchange rate changes, net14,7483,963	New short term bank loans and other loan		1,254,080	200,965
Repayment to minority interests(18,155)(16,478)Repayment to minority interests upon liquidation of subsidiaries–(1,557)Net cash inflow/(outflow) from financing activities286,312(186,591)NET INCREASE/(DECREASE) IN CASH––AND CASH EQUIVALENTS(6,649)483,311Cash and cash equivalents at beginning of year934,746447,472Effect of foreign exchange rate changes, net14,7483,963	New long term bank loans		382,245	157,215
Repayment to minority interests upon liquidation of subsidiaries–(1,557)Net cash inflow/(outflow) from financing activities286,312(186,591)NET INCREASE/(DECREASE) IN CASH–(6,649)483,311AND CASH EQUIVALENTS(6,649)483,311(447,472)Cash and cash equivalents at beginning of year934,746447,472Effect of foreign exchange rate changes, net14,7483,963	Additions to minority interests in investments in subsidiaries		38,652	15,446
Net cash inflow/(outflow) from financing activities286,312(186,591)NET INCREASE/(DECREASE) IN CASH(6,649)483,311AND CASH EQUIVALENTS(6,649)483,311Cash and cash equivalents at beginning of year934,746447,472Effect of foreign exchange rate changes, net14,7483,963	Repayment to minority interests		(18,155)	(16,478)
NET INCREASE/(DECREASE) IN CASHAND CASH EQUIVALENTS(6,649)Cash and cash equivalents at beginning of year934,746Effect of foreign exchange rate changes, net14,748	Repayment to minority interests upon liquidation of subsidiaries		-	(1,557)
AND CASH EQUIVALENTS(6,649)483,311Cash and cash equivalents at beginning of year934,746447,472Effect of foreign exchange rate changes, net14,7483,963	Net cash inflow/(outflow) from financing activities		286,312	(186,591)
Cash and cash equivalents at beginning of year934,746447,472Effect of foreign exchange rate changes, net14,7483,963	NET INCREASE/(DECREASE) IN CASH			
Effect of foreign exchange rate changes, net14,7483,963	AND CASH EQUIVALENTS		(6,649)	483,311
	Cash and cash equivalents at beginning of year		934,746	447,472
CASH AND CASH EQUIVALENTS AT END OF YEAR942,845934,746	Effect of foreign exchange rate changes, net		14,748	3,963
	CASH AND CASH EQUIVALENTS AT END OF YEAR		942,845	934,746

Consolidated Cash Flow Statement (Continued)

Year ended 31 December 2004

HK\$'000	Notes	2004	2003
ANALYSIS OF BALANCES OF CASH AND			
CASH EQUIVALENTS			
Cash and bank balances	28	840,744	463,255
Non-pledged time deposits with maturity			
of less than three months when acquired	28	128,903	471,491
Bank overdrafts	31	(26,802)	-
		942,845	934,746