

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 March 2008
(expressed in Hong Kong Dollars)

	<u>Note</u>	<u>2008</u> \$'000	\$'000	<u>2007</u> \$'000	\$'000
Cash flows from operating activities					
Operating surplus before income tax		2,077,601		758,711	
Adjustments for:					
Interest income		(376,592)		(343,482)	
Depreciation and amortisation		45,463		39,202	
Loss / (gain) on disposal of property, plant and equipment		160		(2)	
Provision for / (write back of) impairment on properties and committed projects		<u>1,034,400</u>		<u>(212,600)</u>	
Operating surplus before working capital changes		2,781,032		241,829	
Decrease / (increase) in jointly controlled development projects		706,659		(227,042)	
Increase in properties under development		(895,501)		(737,843)	
Increase in building rehabilitation loans		(31,927)		(33,614)	
Increase in trade and other receivables		(6,827)		(1,193)	
Decrease / (increase) in properties held for sale		12,203		(7,321)	
Increase in trade and other payables		<u>27,569</u>		<u>199,677</u>	
Cash generated from / (used in) operations		2,593,208		(565,507)	
Interest received		<u>351,021</u>		<u>315,022</u>	
Net cash generated from / (used in) operating activities			2,944,229		(250,485)
Cash flows from investing activities					
Increase in bank deposits		(4,373,000)		(115,000)	
Purchase of leasehold land and property, plant and equipment		(5,667)		(12,083)	
Proceeds from sale of property, plant and equipment		<u>-</u>		<u>2</u>	
Net cash used in investing activities			(4,378,667)		(127,081)
Cash flows from financing activities					
Increase in capital		<u>-</u>		<u>2,000,000</u>	
Net cash generated from financing activities			<u>-</u>		<u>2,000,000</u>
Net (decrease)/increase in cash and cash equivalents			(1,434,438)		1,622,434
Cash and cash equivalents at 1 April			<u>3,926,467</u>		<u>2,304,033</u>
Cash and cash equivalents at 31 March			<u><u>2,492,029</u></u>		<u><u>3,926,467</u></u>
Analysis of cash and bank balances					
Cash and cash equivalents			2,492,029		3,926,467
Other bank deposits			<u>8,379,000</u>		<u>4,006,000</u>
Cash and bank balances at 31 March	18		<u><u>10,871,029</u></u>		<u><u>7,932,467</u></u>

The notes on pages 93 to 121 form part of these financial statements.