

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 March 2009
(expressed in Hong Kong Dollars)

| | <u>Note</u> | <u>2009</u> | <u>2008</u> |
|---|-------------|------------------|-------------------|
| | | \$'000 | \$'000 |
| Cash flows from operating activities | | | |
| Operating (deficit) / surplus before income tax | | (4,524,265) | 2,077,601 |
| Adjustments for: | | | |
| Interest income | | (225,615) | (376,592) |
| Depreciation and amortisation | | 82,981 | 45,463 |
| Loss on disposal of property, plant and equipment | | 92 | 160 |
| Gain on financial assets at fair value through profit or loss | | (29,522) | - |
| Provision for impairment on properties and committed projects | | 5,337,126 | 1,034,400 |
| Operating surplus before working capital changes | | 640,797 | 2,781,032 |
| (Increase) / decrease in jointly controlled development projects | | (28,440) | 706,659 |
| Increase in properties under development | | (3,496,852) | (895,501) |
| Increase in building rehabilitation loans | | (22,572) | (31,927) |
| Increase in trade and other receivables | | (567,433) | (6,827) |
| Decrease in properties held for sale | | 307 | 12,203 |
| (Decrease) / increase in trade and other payables | | (56,195) | 27,569 |
| Cash (used in) / generated from operations | | (3,530,388) | 2,593,208 |
| Interest received | | 307,826 | 351,021 |
| Net cash (used in) / generated from operating activities | | (3,222,562) | 2,944,229 |
| Cash flows from investing activities | | | |
| Decrease / (increase) in bank deposits with maturities more than 3 months | | 8,276,000 | (4,373,000) |
| Purchase of leasehold land and property, plant and equipment | | (9,910) | (5,667) |
| Purchase of financial assets at fair value through profit or loss | | (780,000) | - |
| Proceeds from sale of property, plant and equipment | | 214 | - |
| Net cash generated from / (used in) investing activities | | 7,486,304 | (4,378,667) |
| Net increase / (decrease) in cash and cash equivalents | | 4,263,742 | (1,434,438) |
| Cash and cash equivalents at 1 April | | 2,492,029 | 3,926,467 |
| Cash and cash equivalents at 31 March | | <u>6,755,771</u> | <u>2,492,029</u> |
| Analysis of cash and bank balances | | | |
| Cash and cash equivalents | | 6,755,771 | 2,492,029 |
| Other bank deposits with maturities more than 3 months | | 103,000 | 8,379,000 |
| Cash and bank balances at 31 March | 19 | <u>6,858,771</u> | <u>10,871,029</u> |

The notes on pages 105 to 137 form part of these financial statements.