

Consolidated Cash Flow Statement

for the Year ended 31 December 1997

	1997 \$'000	1996 \$'000
CASH FLOW FROM OPERATING ACTIVITIES:		
Operating profit before interest and taxation	170,977	213,265
Adjustments for:		
Depreciation of fixed assets	9,357	6,123
Exchange difference on US\$ Bonds	2,830	–
Other items	(1,288)	(469)
Operating income before reinvestment in working capital	181,876	218,919
Decrease / (Increase) in debtors	(64,258)	180,505
Decrease in stocks and completed properties held for sale	540,094	166,365
Increase in creditors	135,376	30,115
Cash generated from operation	793,088	595,904
Investment income received	188	151
Interest received	58,293	44,180
Interest from associated companies	1,904	1,876
Interest paid	(81,182)	(42,591)
Income taxes paid	(35,890)	(10,078)
Net cash provided by operating activities	736,401	589,442
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of fixed assets	(15,103)	(76,821)
Purchase of marketable securities and other investments	(24,008)	(48,387)
Additional investment in associated and subsidiary companies	(107,685)	(24,190)
Development expenditure	(1,382,708)	(1,308,922)
Proceeds from sale of fixed assets	79	103
Sale of shares in an associated company and a subsidiary company	96,962	4,048
Net cash used in investing activities	(1,432,463)	(1,454,169)
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issue of shares by the Company	136,539	36,138
Net loan drawdown	87,008	279,121
Advances from / (to) minority shareholders of certain companies	31,046	(43,913)
Loans to related and associated companies, less dividends	(40,369)	(17,191)
Dividends paid to shareholders	(19,403)	(18,008)
Contribution by, less dividends to, minority shareholders of subsidiary companies	8,277	1,432
Redemption of Bonds 1991/96	–	(105,600)
Proceeds from / (repurchase of) Bonds and Floating Rate Notes	(9,250)	520,000
Net cash provided by financing activities	193,848	651,979
Net increase/(decrease) in cash and cash equivalents	(502,214)	(212,748)
Cash and cash equivalents at beginning of year	(49,559)	163,565
Exchange gain / (loss)	14,554	(376)
Acquisition and deconsolidation of subsidiaries	1,679	–
Cash and cash equivalents at end of year	(535,540)	(49,559)

	1997	1996
	\$'000	\$'000
Represented by:		
Fixed deposits, bank balances and cash	115,819	31,766
Deposits with related companies	127,044	238,049
Short-term borrowings from related companies	(778,403)	(319,374)
	<u>(535,540)</u>	<u>(49,559)</u>

The acquisition and disposal of shares in subsidiary companies have been shown as separate items, and their effect on the individual assets and liabilities of the Group is not reflected in the above statement. The net assets of subsidiary companies sold, acquired or reclassified as associated companies may be analysed as follows:

	1997	1996		1997	1996
	\$'000	\$'000		\$'000	\$'000
Fixed assets	(139)	(695)	Purchase		
Development properties	91,993	3,895	consideration	37,380	3,033
Stocks, debtors and creditors	(2,734)	1,490			
Net bank balances, cash and deposits with, and deposits from related company	1,679	–	Sale proceeds	(120)	–
Long and short-term borrowings	(35,890)	–			
Minority interests	(16,222)	(3,888)			
Adjustment for a subsidiary company which was previously an associate	(19,503)				
	<u>19,184</u>	<u>802</u>			
Goodwill on acquisition	17,877	2,231			
Loss on sale	199				
	<u>37,260</u>	<u>3,033</u>		<u>37,260</u>	<u>3,033</u>