

Consolidated statement of cash flows

For the year ended 31 March 2012 (Expressed in Hong Kong dollars)

| | 2012 \$'000 | 2011 \$'000 |
|---|------------------|----------------|
| Cash flows from operating activities | | |
| Surplus for the year | 544,093 | 903,388 |
| Adjustments for: | | |
| Depreciation | 40,227 | 41,090 |
| Investment income | (118,927) | (131,097) |
| Profit on disposal of fixed assets | (4) | (24) |
| | 465,389 | 813,357 |
| Decrease/(increase) in debtors, deposits and prepayments | 26,062 | (8,819) |
| Increase in fees received in advance | 5,178 | 59,397 |
| (Decrease)/increase in creditors and accrued charges | (3,616) | 206 |
| Decrease in non-current liabilities | (6,965) | (7,392) |
| Net cash generated from operating activities | 486,048 | 856,749 |
| Cash flows from investing activities | | |
| Interest received | 188,529 | 197,228 |
| Held-to-maturity debt securities purchased | (2,599,374) | (2,503,382) |
| Held-to-maturity debt securities redeemed at maturity | 2,401,520 | 1,523,827 |
| Fixed assets purchased | (42,898) | (38,332) |
| Net cash used in investing activities | (52,223) | (820,659) |
| Net increase in cash and cash equivalents | 433,825 | 36,090 |
| Cash and cash equivalents at beginning of the year | 605,416 | 569,326 |
| Cash and cash equivalents at end of the year | 1,039,241 | 605,416 |

Analysis of the balance of cash and cash equivalents:

| | 2012 \$'000 | 2011 \$'000 |
|--------------------------|------------------|----------------|
| Bank deposits | 1,035,893 | 602,190 |
| Cash at bank and in hand | 3,348 | 3,226 |
| | 1,039,241 | 605,416 |