

CARRERAS GROUP LIMITED 1997

Group Statement of Cash Flows

Year ended March 31, 1997

	1997 \$'000	1996 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit attributable to stockholders	1,542,936	1,332,687
Adjustments to reconcile net profit attributable to stockholders to net cash provided by operating activities:		
Depreciation	40,570	48,203
(Decrease)/increase in replacement reserve	(1,615)	5,447
Minority interests in unappropriated profits	59,273	53,639
Deferred taxation	33,950	58,312
Loss on disposal of fixed assets	26,402	5,884
	<u>1,701,516</u>	<u>1,504,172</u>
Changes in working capital		
Accounts receivable	(253,618)	(52,120)
Inventories	31,758	(39,946)
Accounts payable	(18,928)	65,271
Taxation	72,966	81,922
Net cash provided by operating activities	<u>1,533,694</u>	<u>1,559,299</u>
CASH FLOWS FROM INVESTING ACTIVITIES		

Investments	(1,609,066)	(1,101,348)*
Additions to fixed assets	(34,024)	(21,715)
Proceeds from sale of fixed assets	<u>10,582</u>	<u>7,162</u>
Net cash used by investing activities	<u>(1,632,508)</u>	<u>(1,115,901)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

(Decrease)/increase in bank loans	(4,803)	5,798
Decrease in long-term loans	(4,564)	(4,922)
Dividends paid	<u>(327,672)</u>	<u>(273,060)</u>
Net cash used by financing activities	<u>(337,039)</u>	<u>(272,184)</u>
Net (decrease)/increase in cash and short-term deposits before effect of foreign exchange rate changes	(435,853)	171,214*
Effect of foreign exchange rate changes	(19,261)	17,141
Cash and short-term deposits, at beginning of year	<u>1,025,327</u>	<u>836,972*</u>
Cash and short-term deposits, at end of year	<u>570,213</u>	<u>1,025,327*</u>

* Reclassified to conform with current year presentation.

The accompanying notes form an integral part of the financial statements.
