

Carreras Group Ltd.

Group Statement of Cash Flows

Year ended March 31, 2004

| | 2004 \$'000 | 2003 \$'000 |
|---|------------------|------------------|
| Cash flows from operating activities | | |
| Net profit for the year attributable to stockholders | 2,846,499 | 3,350,939 |
| Adjustments to reconcile net profit for the year attributable to stockholders to net cash provided by operating activities: | | |
| Items not involving cash: | | |
| Depreciation | 50,363 | 39,816 |
| Employee benefits | 13,800 | 3,500 |
| Appreciation in value of investments | - | (1,943) |
| Minority interests | 3,186 | 3,637 |
| Income tax provision | 1,203,294 | 842,076 |
| Gain/(loss) on disposal of property, plant and equipment and investment properties | 21,986 | (1,055) |
| Appreciation in value of investment property | - | 3,000 |
| Movement in reserves | - | (15,505) |
| | <u>4,139,128</u> | <u>4,224,465</u> |
| Changes in working capital: | | |
| Accounts receivable | (139,787) | 52,158 |
| Inventories | (2,479) | (28,728) |
| Accounts paid | 149,856 | 161,794 |
| Income tax paid | (1,215,223) | (715,761) |
| Net cash provided by operating activities | <u>2,931,495</u> | <u>3,693,928</u> |

| | | |
|---|-------------------------|-------------------------|
| Cash flows from investing activities | | |
| Decrease/(increase) in investments | 2,481,811 | (1,229,862) |
| Additions to property, plant and equipment | (57,195) | (38,971) |
| Proceeds of disposal of property, plant and equipment and investment properties | 138,839 | 3,973 |
| Net cash provided/(used) by investing activities | <u>(2,563,455)</u> | <u>(1,264,860)</u> |
| Cash flows from financing activities | | |
| Minority interests | (12,975) | (1) |
| Dividends paid | (1,941,760) | (2,427,200) |
| Transfer tax paid on intra-group capital distribution | <u>(378,904)</u> | <u>-</u> |
| Net cash used by financing activities | <u>(2,333,639)</u> | <u>(2,427,201)</u> |
| Net increase in cash and cash equivalents before effect of foreign exchange rate changes | | |
| | 3,161,311 | 1,867 |
| Effect of foreign exchange rate changes | 133,202 | 220,522 |
| Cash and cash equivalents at beginning of year | <u>4,994,249</u> | <u>4,771,860</u> |
| Cash and cash equivalents at end of year | 8,288,762 | 4,994,249 |
| | ===== | ===== |

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