

Lascelles, deMercado & Co. Limited

Group Statement of Cash Flows

Year ended September 30, 2004

	2004 \$'000s	2003 \$'000s
Cash flows from operating activities		
Net profit attributable to members	1,509,726	943,645
Adjustments to reconcile profit to net cash provided by operating activities:		
Employee benefits	(420,600)	(22,400)
Unrealised translation adjustment on consolidation	192,684	577,549
(Profit)/loss on disposal of investments	(72,635)	56,511
Results retained in associated companies	(1,679)	(1,578)
Minority interests of subsidiaries	(4,813)	(1,070)
Goodwill adjustment	47,804	-
Goodwill amortised	7,530	2,510
Trademarks amortised	1,411	679
Deferred taxation	120,571	97,728
Depreciation	428,277	404,558
Provision for impairment of property, plant & equipment	-	3,080
Construction in progress written off	-	3,270
Profit on disposal of property, plant & equipment	(21,565)	(3,378)
	<u>1,786,711</u>	<u>2,061,104</u>
(Increase)/decrease in current assets:		
Accounts receivable	(174,016)	(475,419)
Taxation recoverable	(53,717)	(35,691)
Reinsurance recoverable	(259,758)	(75,811)
Inventories	(599,610)	(634,298)

Biological assets	6,219	(117,177)
Increase/(decrease) in current liabilities:		
Accounts payable and provisions	140,015	535,449
Insurance liabilities	721,186	585,262
Taxation	<u>57,359</u>	<u>23,082</u>
Net cash provided by operating activities	<u>1,624,389</u>	<u>1,866,501</u>
Cash flows from investing activities		
Additions to investments	(755,013)	(485,182)
Proceeds of sale of investments	246,440	271,778
Net consideration on acquisition of subsidiary and minority interests	-	(161,689)
Additions to property, plant & equipment	(561,161)	(942,743)
Proceeds of sale of property, plant & equipment	<u>157,127</u>	<u>34,254</u>
Net cash used by investing activities	<u>(912,607)</u>	<u>(1,283,582)</u>
Net cash provided before financing activities	711,782	582,919
Cash flows from financing activities		
Increase in short-term bank loans	(462,404)	74,119
(Decrease)/increase in other unsecured loans	(17,189)	193,799*
Long-term liabilities, net of repayments	(266,200)	(369,822)*
Dividends paid to minority shareholders of subsidiaries	<u>-</u>	<u>(52)</u>
Net cash used by financing activities	<u>(745,793)</u>	<u>(101,956)</u>
Net cash (used)/provided before dividend and distribution payments	(34,011)	480,963
Dividends and distributions paid	<u>(98,082)</u>	<u>(2,082)</u>
Net (decrease)/increase in cash and cash equivalents	(132,093)	478,881
Net cash and cash equivalents at beginning of year	<u>3,198,333</u>	<u>2,719,452</u>

Net cash and cash equivalents at end of year	3,066,240	3,198,333
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Comprised of:		
Cash and bank balances	549,108	483,407
Short-term deposits and other monetary instruments	<u>2,638,489</u>	<u>3,056,242</u>
Bank overdrafts	3,187,597	3,539,649
	<u>(121,357)</u>	<u>(341,316)</u>
	<u>3,066,240</u>	<u>3,198,333</u>
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