Consolidated Cash Flow Statement

for the year ended 31 December 2008

2008 US\$ millions		Note	2008 HK\$ millions	2007 HK\$ millions
	Operating activities			
8,056	Cash generated from operating activities before interest and other finance costs, tax paid, 3 Group telecommunications expensed CACs ^(a) and changes in working capital	33 (a)	62,838	86,406
(2,149)	Interest and other finance costs paid		(16,762)	(18,508)
(458)	Tax paid		(3,576)	(2,608)
5,449	Funds from operations before 3 Group telecommunications expensed CACs		42,500	65,290
(443)	3 Group telecommunications expensed CACs		(3,457)	(5,732)
5,006	Funds from operations		39,043	59,558
(663)	Changes in working capital	33 (b)	(5,171)	(4,144)
4,343	Net cash from operating activities		33,872	55,414
	Investing activities			
(2,006)	Purchase of fixed assets and investment properties for established businesses		(15,643)	(13,883)
(1,528)	Purchase of fixed assets for 3 Group		(11,921)	(13,969)
(27)	Additions to leasehold land		(214)	(1,104)
(49)	Additions to telecommunications licences		(384)	(86)
(71)	Additions to brand names and other rights		(550)	(572)
(2,171)	Additions to telecommunications postpaid CACs for 3 Group	4	(16,935)	(11,479)
(105)	Additions to telecommunications postpaid CACs for Hutchison Telecommunications International	4	(817)	(346)
4	Purchase of subsidiary companies	33 (c)	28	45,348
(780)	Purchase of minority interests		(6,083)	(706)
(9)	Additions to other unlisted investments		(67)	(1,120)
143	Repayments from associated companies and non-property jointly controlled entities		1,112	1,888
(1,160)	Purchase of and advances (including deposits) to associated companies and jointly controlled entities		(9,047)	(3,361)
357	Proceeds on disposal of fixed assets, leasehold land and investment properties		2,787	825
679	Proceeds on disposal of subsidiary companies	33 (d)	5,294	895
1	Proceeds on disposal of associated companies		6	945
86	Proceeds on disposal of jointly controlled entities		670	1,379
6	Proceeds on disposal of other unlisted investments		50	342
19	Proceeds on disposal of infrastructure project investments		147	66
(103)	Partner Communications Company Ltd's repurchase of its shares		(799)	_
4,230	Disposal of liquid funds and other listed investments		32,993	4,099
(327)	Additions to liquid funds and other listed investments		(2,550)	(1,561)
(2,811)	Cash flows from (used in) investing activities		(21,923)	7,600
1,532	Net cash inflow before financing activities		11,949	63,014

2008 US\$ millions	Note	2008 HK\$ millions	2007 HK\$ millions
	Financing activities		
5,290	New borrowings	41,267	52,144
(10,734)	Repayment of borrowings	(83,729)	(59,524)
176	Issue of shares by subsidiary companies to minority shareholders and loans from minority shareholders	1,371	2,573
(2,244)	Dividends paid to minority shareholders	(17,504)	(3,676)
(946)	Dividends paid to shareholders	(7,375)	(7,375)
(8,458)	Cash flows used in financing activities	(65,970)	(15,858)
(6,926)	Increase (decrease) in cash and cash equivalents	(54,021)	47,156
14,270	Cash and cash equivalents at 1 January	111,307	64,151
7,344	Cash and cash equivalents at 31 December	57,286	111,307
	Analysis of cash, liquid funds and other listed investments		
7.344	Cash and cash equivalents, as above 23	57,286	111,307
3,941	Liquid funds and other listed investments 22	30,735	69,192
11,285	Total cash, liquid funds and other listed investments	88,021	180,499
32,549	Total principal amount of bank and other debts 27	253,884	311,279
1,711	Interest bearing loans from minority shareholders 28	13,348	12,508
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22,975	Net debt	179,211	143,288
(1,711)	Interest bearing loans from minority shareholders	(13,348)	(12,508)
21,264	Net debt (excluding interest bearing loans from minority shareholders)	165,863	130,780

⁽a) CACs represents customer acquisition costs and contract customer retention costs.