Consolidated Statement of Cash Flows

for the year ended 31 December 2016

US\$ millions	No	2016 ote HK\$ millions	2015 HK\$ millions
	Operating activities		
7,955	Cash generated from operating activities before interest expenses and other finance costs, tax paid and changes in working capital 36	(a) 62,051	49,924
(1,218)	Interest expenses and other finance costs paid	(d) (9,499)	(6,038)
(431)	Tax paid	(3,364)	(2,169)
6,306	Funds from operations	49,188	41,717
(1,134)	Changes in working capital 36	(b) (8,850)	2,832
5,172	Net cash from operating activities	40,338	44,549
	Investing activities		
(2,570)	Purchase of fixed assets	(20,046)	(22,494)
(514)	Additions to telecommunications licences	(4,013)	(2,448)
(62)	Additions to brand names and other rights	(487)	(540)
(43)	Purchase of subsidiary companies 36	(C) (333)	109,803
(11)	Additions to other unlisted investments	(87)	(68)
259	Repayments from associated companies and joint ventures	2,024	3,078
	Purchase of and advances to associated companies and		
(265)	joint ventures	(2,066)	(21,225)
50	Proceeds on disposal of fixed assets	393	471
365	Proceeds on disposal of subsidiary companies 36	(d) 2,847	(640)
-	Proceeds on disposal of joint ventures	-	3,642
14	Proceeds on disposal of other unlisted investments	107	403
(2,777)	Cash flows from (used in) investing activities before additions to / disposal of liquid funds and other listed investments	(21,661)	69,982
570	Disposal of liquid funds and other listed investments	4,446	2,718
(104)	Additions to liquid funds and other listed investments	(812)	(132)
(2,311)	Cash flows from (used in) investing activities	(18,027)	72,568
2,861	Net cash inflow before financing activities	22,311	117,117
	Financing activities		
9,782	New borrowings	76,306	28,065
(5,816)	Repayment of borrowings	(45,365)	(66,028)
	Issue of shares by subsidiary companies to non-controlling shareholders and net loans from (to) non-controlling shareholders	1,152	(1,034)
148		1,152	(1,004)
148	Proceeds on issue of perpetual capital securities by a subsidiary,	1,152	(1,024)
1,185	Proceeds on issue of perpetual capital securities by a subsidiary, net of transaction costs	9,245	(+c0,1) -
1,185 (1,000)	Proceeds on issue of perpetual capital securities by a subsidiary, net of transaction costs Redemption of perpetual capital securities by a subsidiary	9,245 (7,800)	(1,054) - -
1,185 (1,000) (43)	Proceeds on issue of perpetual capital securities by a subsidiary, net of transaction costs Redemption of perpetual capital securities by a subsidiary Payments to acquire additional interests in subsidiary companies	9,245 (7,800) (339)	- -
1,185 (1,000) (43) 45	 Proceeds on issue of perpetual capital securities by a subsidiary, net of transaction costs Redemption of perpetual capital securities by a subsidiary Payments to acquire additional interests in subsidiary companies Proceeds on partial disposal of subsidiary companies 	9,245 (7,800) (339) 353	_ _ _ 20
1,185 (1,000) (43) 45 (540)	 Proceeds on issue of perpetual capital securities by a subsidiary, net of transaction costs Redemption of perpetual capital securities by a subsidiary Payments to acquire additional interests in subsidiary companies Proceeds on partial disposal of subsidiary companies Redemption of perpetual capital securities 	9,245 (7,800) (339) 353 (4,210)	- -
1,185 (1,000) (43) 45 (540) (24)	 Proceeds on issue of perpetual capital securities by a subsidiary, net of transaction costs Redemption of perpetual capital securities by a subsidiary Payments to acquire additional interests in subsidiary companies Proceeds on partial disposal of subsidiary companies Redemption of perpetual capital securities Payments for buy-back and cancellation of issued shares 34 	9,245 (7,800) (339) 353 (4,210) (a) (189)	 20 (13,299)
1,185 (1,000) (43) 45 (540) (24) (1,279)	Proceeds on issue of perpetual capital securities by a subsidiary, net of transaction costsRedemption of perpetual capital securities by a subsidiary Payments to acquire additional interests in subsidiary companiesProceeds on partial disposal of subsidiary companies Redemption of perpetual capital securities Payments for buy-back and cancellation of issued shares34 Dividends paid to ordinary shareholders	9,245 (7,800) (339) 353 (4,210) (a) (189) (9,977)	- - 20 (13,299) - (9,687)
1,185 (1,000) (43) 45 (540) (24) (1,279) (628)	 Proceeds on issue of perpetual capital securities by a subsidiary, net of transaction costs Redemption of perpetual capital securities by a subsidiary Payments to acquire additional interests in subsidiary companies Proceeds on partial disposal of subsidiary companies Redemption of perpetual capital securities Payments for buy-back and cancellation of issued shares Dividends paid to ordinary shareholders Dividends paid to non-controlling interests 	9,245 (7,800) (339) 353 (4,210) (a) (189) (9,977) (4,902)	 20 (13,299) (9,687) (2,997)
1,185 (1,000) (43) 45 (540) (24) (1,279)	 Proceeds on issue of perpetual capital securities by a subsidiary, net of transaction costs Redemption of perpetual capital securities by a subsidiary Payments to acquire additional interests in subsidiary companies Proceeds on partial disposal of subsidiary companies Redemption of perpetual capital securities Payments for buy-back and cancellation of issued shares Dividends paid to ordinary shareholders Dividends paid to non-controlling interests Distribution paid on perpetual capital securities 	9,245 (7,800) (339) 353 (4,210) (a) (189) (9,977) (4,902) (1,486)	 20 (13,299) (9,687) (2,997) (1,072)
1,185 (1,000) (43) 45 (540) (24) (1,279) (628) (191)	 Proceeds on issue of perpetual capital securities by a subsidiary, net of transaction costs Redemption of perpetual capital securities by a subsidiary Payments to acquire additional interests in subsidiary companies Proceeds on partial disposal of subsidiary companies Redemption of perpetual capital securities Payments for buy-back and cancellation of issued shares Dividends paid to ordinary shareholders Dividends paid to non-controlling interests 	9,245 (7,800) (339) 353 (4,210) (a) (189) (9,977) (4,902) (1,486)	 20 (13,299) (9,687) (2,997)
1,185 (1,000) (43) 45 (540) (24) (1,279) (628) (191) – 1,639	Proceeds on issue of perpetual capital securities by a subsidiary, net of transaction costsRedemption of perpetual capital securities by a subsidiary Payments to acquire additional interests in subsidiary companiesProceeds on partial disposal of subsidiary companies Redemption of perpetual capital securitiesPayments for buy-back and cancellation of issued sharesDividends paid to ordinary shareholders Distribution paid on perpetual capital securitiesDistribution In Specie36Cash flows from (used in) financing activities	9,245 (7,800) (339) 353 (4,210) (1,89) (9,977) (4,902) (1,486) (e) - 12,788	 20 (13,299) (9,687) (2,997) (1,072) 40,649 (25,383)
1,185 (1,000) (43) 45 (540) (24) (1,279) (628) (191) –	Proceeds on issue of perpetual capital securities by a subsidiary, net of transaction costsRedemption of perpetual capital securities by a subsidiary Payments to acquire additional interests in subsidiary companiesProceeds on partial disposal of subsidiary companies Redemption of perpetual capital securities Payments for buy-back and cancellation of issued sharesPaividends paid to ordinary shareholders Dividends paid to non-controlling interests Distribution paid on perpetual capital securitiesPaymentsPayme	9,245 (7,800) (339) 353 (4,210) (a) (189) (9,977) (4,902) (1,486) (e) —	

Consolidated Statement of Cash Flows

for the year ended 31 December 2016

2016 US\$ millions	No	ote	2016 HK\$ millions	2015 HK\$ millions
	Additional information:			
	Analysis of net cash flows			
	Operating net cash inflows arises from:			
5,172	Continuing operations		40,338	40,474
-	Discontinued operations		-	4,075
5,172			40,338	44,549
	Investing net cash inflows (outflows) arises from:			
(2,311)	Continuing operations		(18,027)	77,650
-	Discontinued operations		-	(5,082)
(2,311)			(18,027)	72,568
	Financing net cash inflows (outflows) arises from:			
1,639	Continuing operations		12,788	(25,183)
-	Discontinued operations		-	(200)
1,639			12,788	(25,383)
	Total net cash inflows (outflows) arises from:			
4,500	Continuing operations		35,099	92,941
-	Discontinued operations		-	(1,207)
4,500	Increase in cash and cash equivalents		35,099	91,734
	Analysis of cash, liquid funds and other listed investments	_		
20,035		25	156,270	121,171
763	Liquid funds and other listed investments 2	24	5,954	10,255
20,798	Total cash, liquid funds and other listed investments		162,224	131,426
20.070	Total principal amount of bank and other debts and unamortised fair value adjustments arising from acquisitions 3	20	204 020	204.007
38,978 549		80 81	304,030 4,283	304,006 4,827
18,729	Net debt		146,089	177,407
(549)	Interest bearing loans from non-controlling shareholders		(4,283)	(4,827)
10.100	Net debt (excluding interest bearing loans from		141.007	172 500
18,180	non-controlling shareholders)		141,806	172,580