

Consolidated Statement of Cash Flows

for the year ended 31 December 2016

2016 US\$ millions		Note	2016 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		(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
(265)	Purchase of and advances to associated companies and 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)
148	Issue of shares by subsidiary companies to non-controlling shareholders and net loans from (to) non-controlling shareholders		1,152	(1,034)
1,185	Proceeds on issue of perpetual capital securities by a subsidiary, net of transaction costs		9,245	—
(1,000)	Redemption of perpetual capital securities by a subsidiary		(7,800)	—
(43)	Payments to acquire additional interests in subsidiary companies		(339)	—
45	Proceeds on partial disposal of subsidiary companies		353	20
(540)	Redemption of perpetual capital securities		(4,210)	(13,299)
(24)	Payments for buy-back and cancellation of issued shares	34 (a)	(189)	—
(1,279)	Dividends paid to ordinary shareholders		(9,977)	(9,687)
(628)	Dividends paid to non-controlling interests		(4,902)	(2,997)
(191)	Distribution paid on perpetual capital securities		(1,486)	(1,072)
—	Distribution In Specie	36 (e)	—	40,649
1,639	Cash flows from (used in) financing activities		12,788	(25,383)
4,500	Increase in cash and cash equivalents		35,099	91,734
15,535	Cash and cash equivalents at 1 January		121,171	29,437
20,035	Cash and cash equivalents at 31 December		156,270	121,171

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Additional information:			
Analysis of net cash flows			
Operating net cash inflows arises from:			
5,172		40,338	40,474
–		–	4,075
5,172		40,338	44,549
Investing net cash inflows (outflows) arises from:			
(2,311)		(18,027)	77,650
–		–	(5,082)
(2,311)		(18,027)	72,568
Financing net cash inflows (outflows) arises from:			
1,639		12,788	(25,183)
–		–	(200)
1,639		12,788	(25,383)
Total net cash inflows (outflows) arises from:			
4,500		35,099	92,941
–		–	(1,207)
4,500		35,099	91,734
Analysis of cash, liquid funds and other listed investments			
20,035	25	156,270	121,171
763	24	5,954	10,255
20,798		162,224	131,426
Total principal amount of bank and other debts and unamortised fair value adjustments arising from acquisitions			
38,978	30	304,030	304,006
549	31	4,283	4,827
18,729		146,089	177,407
(549)		(4,283)	(4,827)
18,180		141,806	172,580