

# Consolidated Statement of Cash Flows

for the year ended 31 December 2017

2017 US\$ million		Note	2017 HK\$ million	2016 HK\$ million
	<b>Operating activities</b>			
8,735	Cash generated from operating activities before interest expenses and other finance costs, tax paid and changes in working capital	33 (a)	68,137	62,051
(1,202)	Interest expenses and other finance costs paid (net of capitalisation)		(9,375)	(9,499)
(624)	Tax paid		(4,870)	(3,364)
6,909	<b>Funds from operations</b>		53,892	49,188
(38)	Changes in working capital	33 (b)	(296)	(8,850)
6,871	<b>Net cash from operating activities</b>		53,596	40,338
	<b>Investing activities</b>			
(3,015)	Purchase of fixed assets		(23,521)	(20,046)
(19)	Additions to leasehold land		(149)	–
(28)	Additions to telecommunications licences		(216)	(4,013)
(4)	Additions to brand names and other rights		(29)	(487)
(477)	Purchase of subsidiary companies	33 (c)	(3,724)	(333)
(17)	Additions to other unlisted investments		(130)	(87)
103	Repayments from associated companies and joint ventures		804	2,024
(4,846)	Purchase of and advances to associated companies and joint ventures		(37,798)	(2,066)
286	Proceeds on disposal of fixed assets		2,231	393
1,821	Proceeds on disposal of subsidiary companies	33 (d)	14,201	2,847
173	Proceeds on partial disposal / disposal of associated companies and joint ventures		1,348	–
2	Proceeds on disposal of other unlisted investments		19	107
(6,021)	Cash flows used in investing activities before additions to / disposal of liquid funds and other listed investments		(46,964)	(21,661)
36	Disposal of liquid funds and other listed investments		278	4,446
(256)	Additions to liquid funds and other listed investments		(1,997)	(812)
(6,241)	<b>Cash flows used in investing activities</b>		(48,683)	(18,027)
630	<b>Net cash inflow before financing activities</b>		4,913	22,311
	<b>Financing activities</b>			
12,883	New borrowings	33 (e)	100,488	76,306
(11,240)	Repayment of borrowings	33 (e)	(87,674)	(45,365)
(274)	Net loans from (to) non-controlling shareholders	33 (e)	(2,139)	59
203	Issue of equity securities by subsidiary companies to non-controlling shareholders		1,584	1,093
649	Proceeds on issue of perpetual capital securities by a subsidiary, net of transaction costs		5,063	9,245
–	Redemption of perpetual capital securities by a subsidiary		–	(7,800)
(9)	Transaction costs in relation to issuance of shares by a subsidiary		(68)	–
(46)	Payments to acquire additional interests in subsidiary companies		(356)	(339)
–	Proceeds on partial disposal of subsidiary companies		–	353
992	Proceeds on issue of perpetual capital securities, net of transaction costs		7,738	–
(1,128)	Redemption of perpetual capital securities		(8,800)	(4,210)
–	Payments for buy-back and cancellation of issued shares		–	(189)
(1,348)	Dividends paid to ordinary shareholders		(10,512)	(9,977)
(621)	Dividends paid to non-controlling interests		(4,845)	(4,902)
(153)	Distribution paid on perpetual capital securities		(1,192)	(1,486)
(92)	<b>Cash flows from (used in) financing activities</b>		(713)	12,788
538	Increase in cash and cash equivalents		4,200	35,099
20,035	Cash and cash equivalents at 1 January		156,270	121,171
20,573	<b>Cash and cash equivalents at 31 December</b>		160,470	156,270

2017 US\$ million		Note	2017 HK\$ million	2016 HK\$ million
	<b>Analysis of cash, liquid funds and other listed investments</b>			
20,573	Cash and cash equivalents, as above	23	160,470	156,270
1,002	Liquid funds and other listed investments	22	7,813	5,954
21,575	<b>Total cash, liquid funds and other listed investments</b>		<b>168,283</b>	162,224
42,712	Total principal amount of bank and other debts and unamortised fair value adjustments arising from acquisitions	27	333,155	304,030
403	Interest bearing loans from non-controlling shareholders	28	3,143	4,283
21,540	<b>Net debt</b>		<b>168,015</b>	146,089
(403)	Interest bearing loans from non-controlling shareholders		(3,143)	(4,283)
21,137	<b>Net debt (excluding interest bearing loans from non-controlling shareholders)</b>		<b>164,872</b>	141,806