

Consolidated Statement of Cash Flows

for the year ended 31 December 2018

2018 [#] US\$ million		Note	2018 HK\$ million	2017* HK\$ million
	Operating activities			
9,306	Cash generated from operating activities before interest expenses and other finance costs, tax paid and changes in working capital	31 (a)	72,590	68,137
(1,367)	Interest expenses and other finance costs paid (net of capitalisation)		(10,661)	(9,375)
(588)	Tax paid		(4,584)	(4,870)
7,351	Funds from operations		57,345	53,892
(206)	Changes in working capital	31 (b)	(1,611)	(296)
7,145	Net cash from operating activities		55,734	53,596
	Investing activities			
(3,531)	Purchase of fixed assets		(27,540)	(23,521)
–	Additions to leasehold land		–	(149)
(1,093)	Additions to telecommunications licences		(8,527)	(216)
(190)	Additions to brand names and other rights		(1,479)	(29)
(1,836)	Purchase of subsidiary companies	31 (c)	(14,323)	(3,724)
(53)	Additions to other unlisted investments		(414)	(130)
285	Repayments from associated companies and joint ventures		2,222	804
(314)	Purchase of and advances to associated companies and joint ventures		(2,446)	(37,798)
12	Proceeds on disposal of fixed assets		92	2,231
144	Proceeds on disposal of subsidiary companies	31 (d)	1,121	14,201
19	Proceeds on partial disposal / disposal of associated companies and joint ventures		149	1,348
1	Proceeds on disposal of other unlisted investments		8	19
(6,556)	Cash flows used in investing activities before additions to / disposal of liquid funds and other listed investments		(51,137)	(46,964)
50	Disposal of liquid funds and other listed investments		387	278
(1,068)	Additions to liquid funds and other listed investments		(8,329)	(1,997)
(7,574)	Cash flows used in investing activities		(59,079)	(48,683)
(429)	Net cash inflow (outflow) before financing activities		(3,345)	4,913
	Financing activities			
7,092	New borrowings	31 (e)	55,313	100,488
(7,046)	Repayment of borrowings	31 (e)	(54,961)	(87,674)
(24)	Net loans to non-controlling shareholders	31 (e)	(185)	(2,139)
1,834	Consideration received from the economic benefits agreements (see note 28(b))	31 (e)	14,308	–
3	Issue of equity securities by subsidiary companies to non-controlling shareholders		25	1,584
–	Proceeds on issue of perpetual capital securities by a subsidiary, net of transaction costs		–	5,063
–	Transaction costs in relation to issuance of shares by a subsidiary		–	(68)
(7)	Payments to acquire additional interests in subsidiary companies		(56)	(356)
570	Proceeds on issue of perpetual capital securities, net of transaction costs		4,442	7,738
(2,492)	Redemption of perpetual capital securities		(19,435)	(8,800)
(17)	Payments for buy-back and cancellation of issued shares		(131)	–
(1,454)	Dividends paid to ordinary shareholders		(11,341)	(10,512)
(654)	Dividends paid to non-controlling interests		(5,102)	(4,845)
(129)	Distribution paid on perpetual capital securities		(1,006)	(1,192)
(2,324)	Cash flows used in financing activities		(18,129)	(713)
(2,753)	Increase (decrease) in cash and cash equivalents		(21,474)	4,200
20,573	Cash and cash equivalents at 1 January		160,470	156,270
17,820	Cash and cash equivalents at 31 December		138,996	160,470

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	Analysis of cash, liquid funds and other listed investments			
17,820	Cash and cash equivalents, as above		138,996	160,470
(460)	Less: cash and cash equivalents included in assets classified as held for sale	22	(3,585)	—
17,360	Cash and cash equivalents	20	135,411	160,470
1,191	Liquid funds and other listed investments	17	9,292	7,813
18,551	Total cash, liquid funds and other listed investments		144,703	168,283
45,213	Total principal amount of bank and other debts and unamortised fair value adjustments arising from acquisitions	23	352,668	333,155
97	Interest bearing loans from non-controlling shareholders	26	752	3,143
26,759	Net debt		208,717	168,015
(97)	Interest bearing loans from non-controlling shareholders		(752)	(3,143)
26,662	Net debt (excluding interest bearing loans from non-controlling shareholders)		207,965	164,872

See note 38.

* See note 41.