

# Consolidated Cash Flow Statement

for the year ended 31 December in HK\$ million	Note	2016	2015
<b>Cash flows from operating activities</b>			
Cash generated from operations	45	19,136	16,457
Receipt of government subsidy for Shenzhen Metro Longhua Line operation		625	653
Current tax paid			
– Hong Kong Profits Tax paid		(2,271)	(1,800)
– Mainland of China and overseas tax paid		(355)	(369)
<b>Net cash generated from operating activities</b>		<b>17,135</b>	<b>14,941</b>
<b>Cash flows from investing activities</b>			
Capital expenditure			
– Purchase of assets for Hong Kong transport and related operations		(4,615)	(4,216)
– Shenzhen Metro Longhua Line Project and related operations		(220)	(553)
– Island Line Extension Project		(1,112)	(1,255)
– South Island Line (East) Project		(2,884)	(2,227)
– Kwun Tong Line Extension Project		(1,247)	(1,278)
– Shenzhen Longhua Line Depot property development		(730)	(1,121)
– Hong Kong property development		(470)	(10,253)
– Investment property projects and fitting out work		(589)	(609)
– Other capital projects		(72)	(158)
Fixed annual payment		(750)	(750)
Variable annual payment		(1,649)	(1,472)
Receipts in respect of Hong Kong property development		2,177	2,707
Receipts in respect of Shenzhen Longhua Line Depot property development		3,226	5,527
Increase in bank deposits with more than three months to maturity when placed or pledged		(7,212)	(2,607)
Purchase of investments in securities		(143)	(219)
Proceeds from sale or redemption of investments in securities		109	407
Proceeds from disposal of fixed assets		4	4
Acquisition of a subsidiary, net of cash acquired		44	–
Investments in associates		(1,273)	(61)
Receipt of loan repayment from an associate		93	–
Loan to an associate		(13)	(91)
Dividends received from associates		208	179
<b>Net cash used in investing activities</b>		<b>(17,118)</b>	<b>(18,046)</b>
<b>Cash flows from financing activities</b>			
Proceeds from shares issued under share option schemes		845	569
Purchase of shares for Share Incentive Scheme		(99)	(150)
Drawdown of loans		33,950	7,473
Proceeds from issuance of capital market instruments		7,809	1,176
Repayment of loans		(21,078)	(7,999)
Repayment of capital market instruments		(1,200)	(500)
Interest paid		(748)	(691)
Interest received		270	136
Finance charges paid		(41)	(22)
Dividends paid to shareholders of the Company		(18,508)	(5,748)
Dividends paid to holders of non-controlling interests		(108)	(157)
<b>Net cash generated from/(used in) financing activities</b>		<b>1,092</b>	<b>(5,913)</b>
Net increase/(decrease) in cash and cash equivalents		<b>1,109</b>	<b>(9,018)</b>
Cash and cash equivalents at 1 January		<b>6,227</b>	<b>15,413</b>
Effect of exchange rate changes		(299)	(168)
Cash and cash equivalents at 31 December	35	<b>7,037</b>	<b>6,227</b>

The notes on pages 218 to 302 form part of the accounts.