

CONSOLIDATED CASH FLOW STATEMENT

| in HK\$ million | Note | Six months ended 30 June 2020 (Unaudited) | Six months ended 30 June 2019 (Unaudited) |
|---|------|---|---|
| Cash flows from operating activities | | | |
| Cash generated from operations | 24 | 2,244 | 9,964 |
| Receipt of government subsidy for Shenzhen Metro Longhua Line operation | | 587 | 608 |
| Purchase of tax reserve certificates | | (57) | (7) |
| Current tax paid | | | |
| – Hong Kong Profits Tax paid | | (1,930) | (308) |
| – Tax paid outside Hong Kong | | (142) | (214) |
| Net cash generated from operating activities | | 702 | 10,043 |
| Cash flows from investing activities | | | |
| Capital expenditure | | | |
| – Purchase of assets for Hong Kong transport and related operations | | (2,805) | (2,614) |
| – Hong Kong railway extension projects | | (77) | (175) |
| – Investment property projects and fitting out work | | (3,285) | (112) |
| – Other capital projects | | (139) | (91) |
| Variable annual payment | | (2,583) | (2,305) |
| Receipts in respect of property development | | 3,535 | 4,580 |
| Payments in respect of property development | | (212) | (357) |
| Decrease/(increase) in bank deposits with more than three months to maturity when placed or pledged | | 3,578 | (3,797) |
| Distribution from/(investments in) associates and joint venture | | 25 | (679) |
| Others | | 161 | (189) |
| Net cash used in investing activities | | (1,802) | (5,739) |
| Cash flows from financing activities | | | |
| Proceeds from shares issued under share option schemes | | 53 | 73 |
| Purchase of shares for Executive Share Incentive Scheme | | (86) | (88) |
| Proceeds from loans and capital market instruments | | 12,235 | 7,761 |
| Repayment of loans and capital market instruments | | (9,963) | (11,643) |
| Interest and finance charges paid | | (490) | (539) |
| Interest received | | 135 | 91 |
| Capital element of lease rentals paid | | (100) | (78) |
| Dividends paid to holders of non-controlling interests | | – | (34) |
| Net cash generated from/(used in) financing activities | | 1,784 | (4,457) |
| Net increase/(decrease) in cash and cash equivalents | | 684 | (153) |
| Cash and cash equivalents at 1 January | | 8,346 | 8,865 |
| Effect of exchange rate changes | | (205) | (54) |
| Cash and cash equivalents at 30 June | | 8,825 | 8,658 |
| Analysis of the balances of cash and cash equivalents | | | |
| Cash, bank balances and deposits on the consolidated statement of financial position | | 18,098 | 21,617 |
| Bank deposits with more than three months to maturity when placed or pledged | | (9,262) | (12,954) |
| Bank overdrafts | | (11) | (5) |
| Cash and cash equivalents in the consolidated cash flow statement | | 8,825 | 8,658 |

The notes on pages 52 to 71 form part of this interim financial report.