

CONSOLIDATED STATEMENTS OF CASH FLOWS

13 months ended June 30, 2001 and years ended May 31, 2000 and 1999

	13 months ended June 30 2001 \$'000	Year ended May 31 2000 \$'000	Year ended May 31 1999 \$'000
OPERATING ACTIVITIES			
Net income/(loss)	17,075	273	(19,847)
Adjustments to reconcile net income/(loss) to net cash used in operating activities:			
Amortisation of programme rights	41,180	28,469	39,473
Amortisation of goodwill	271	–	–
Depreciation	1,797	1,328	1,205
Contributed income and other non-cash items	(2,068)	–	–
Equity in (income)/loss of affiliates	(1,492)	2,342	3,969
Minority interest	498	153	(456)
Foreign exchange loss	411	2,945	–
Changes in operating assets and liabilities:			
Accounts receivable	(25,038)	(1,093)	5,962
Accounts receivable from related parties	4,417	(14,940)	60
Interest receivable from related party	2,933	(5,864)	–
Programme rights	(66,002)	(48,619)	(80,482)
Prepays and other current assets	(977)	3,352	(6,337)
Accounts payable	4,179	3,225	57
Accrued liabilities	17,100	7,848	(7,568)
Amounts due to related parties	4,186	(579)	(4,633)
Interest payable to related parties	(2,875)	5,517	–
Net cash used in operating activities	(4,405)	(15,643)	(68,597)
INVESTING ACTIVITIES			
Investments in equity affiliates	(110)	(1,922)	(4,631)
Purchase of business	(450)	–	–
Purchases of property and equipment	(3,947)	(1,734)	(1,021)
Net cash used in investing activities	(4,507)	(3,656)	(5,652)
FINANCING ACTIVITIES			
Net proceeds from IPO	–	159,236	–
Programming rights acquisition	–	(100,000)	–
Other issues of common stock and contributions	–	12,512	52,035
Advances from parent company	–	–	13,709
Net cash used/provided by financing activities	–	71,748	65,744
NET CHANGE IN CASH AND CASH EQUIVALENTS FROM OPERATING, INVESTING AND FINANCING ACTIVITIES	(8,912)	52,449	(8,505)
NET (DECREASE)/INCREASE IN CASH DUE FROM FOREIGN CURRENCY FLUCTUATIONS	(32)	(2,945)	960
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(8,944)	49,504	(7,545)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	51,508	2,004	9,549
CASH AND CASH EQUIVALENTS, END OF YEAR	42,564	51,508	2,004
CASH PAID FOR TAXES	10	–	–
CASH PAID FOR INTEREST	14,522	–	–

The accompanying notes are an integral part of these consolidated statements of cash flows.

SIGNIFICANT NON-CASH TRANSACTION

On November 30, 2000, a subsidiary of Fox Kids Europe acquired the business and assets relating to the Fox Kids day part of the TV10 channel for non-cash consideration (see Note 3).