

CONSOLIDATED INCOME STATEMENT

For the year ended 31st December, 2002

(Expressed in Hong Kong dollars)

	Note	2002			2001		
		Continuing operations \$'000	Discontinuing operation \$'000	Total \$'000	Continuing operations \$'000	Discontinuing operation \$'000	Total \$'000
Turnover	2	1,706,475	19,834	1,726,309	1,783,848	79,884	1,863,732
Other revenue	3	29,025	173	29,198	27,440	1,536	28,976
Other net gain/(loss)	3	45,066	257	45,323	(23,304)	(31)	(23,335)
Cost of department store sales		(1,005,414)	(16,189)	(1,021,603)	(1,039,591)	(58,470)	(1,098,061)
Cost of property leasing activities		(66,805)	-	(66,805)	(68,042)	-	(68,042)
Impairment loss on fixed assets	13(g)	-	-	-	(11,791)	-	(11,791)
Other operating expenses		(458,900)	(10,439)	(469,339)	(507,504)	(48,992)	(556,496)
		<u>249,447</u>	<u>(6,364)</u>	<u>243,083</u>	<u>161,056</u>	<u>(26,073)</u>	<u>134,983</u>
Gain on disposal of investment properties	2(c)	48,658	-	48,658	-	-	-
Loss on cessation of mortgage servicing and origination business written back		-	-	-	7,789	-	7,789
Loss on cessation of department store operation in Tianjin	13(g)	-	-	-	-	(15,731)	(15,731)
		<u>298,105</u>	<u>(6,364)</u>	<u>291,741</u>	<u>168,845</u>	<u>(41,804)</u>	<u>127,041</u>
Profit/(loss) from operations	2	298,105	(6,364)	291,741	168,845	(41,804)	127,041
Finance cost	4(a)	(52,840)	-	(52,840)	(63,584)	-	(63,584)
		<u>245,265</u>	<u>(6,364)</u>	<u>238,901</u>	<u>105,261</u>	<u>(41,804)</u>	<u>63,457</u>
Share of profits less losses of associates		146,069	-	146,069	109,428	-	109,428
		<u>146,069</u>	<u>-</u>	<u>146,069</u>	<u>109,428</u>	<u>-</u>	<u>109,428</u>
Profit/(loss) from ordinary activities before taxation	4	391,334	(6,364)	384,970	214,689	(41,804)	172,885
Taxation	5(a)	(141,869)	-	(141,869)	(83,581)	-	(83,581)
		<u>249,465</u>	<u>(6,364)</u>	<u>243,101</u>	<u>131,108</u>	<u>(41,804)</u>	<u>89,304</u>
Profit/(loss) from ordinary activities after taxation		<u>249,465</u>	<u>(6,364)</u>	<u>243,101</u>	<u>131,108</u>	<u>(41,804)</u>	<u>89,304</u>
Minority interests				(815)			2,554
				<u>(815)</u>			<u>2,554</u>
Profit attributable to shareholders	7 & 27(a)			<u>242,286</u>			<u>91,858</u>
Dividends attributable to the year							
Interim dividend declared and paid	8(a)			50,205			11,813
Final dividend proposed after the balance sheet date	8(a)			76,785			35,439
				<u>126,990</u>			<u>47,252</u>
Basic earnings per share	9			<u>82.0 cents</u>			<u>31.1 cents</u>

The notes on pages 29 to 69 form part of these financial statements.