

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30th June, 2003

	Share capital HK\$	Share premium HK\$	Capital redemption reserve HK\$	Investment property revaluation reserve HK\$	Other security revaluation reserve HK\$	Exchange reserve HK\$	Retained profits HK\$	Total HK\$
THE GROUP								
At 1st July, 2001	3,860,583,211	9,211,395,816	100,520,000	7,427,620,342	(499,538,422)	10,215,468	7,518,368,376	27,629,164,791
Deficit on revaluation	—	—	—	(1,390,214,183)	(46,127,198)	—	—	(1,436,341,381)
Share of deficit on revaluation of property interests of associates	—	—	—	(319,709,648)	—	—	—	(319,709,648)
Share of deficit on revaluation of property interest by minority shareholders	—	—	—	39,611,429	—	—	—	39,611,429
Exchange differences arising on translation of operations outside Hong Kong	—	—	—	—	—	(7,409,687)	—	(7,409,687)
Net losses not recognised in the income statement	—	—	—	(1,670,312,402)	(46,127,198)	(7,409,687)	—	(1,723,849,287)
Shares issued in lieu of cash dividend	37,928,619	—	—	—	—	—	—	37,928,619
Premium on issue of shares upon scrip dividend	—	71,842,692	—	—	—	—	—	71,842,692
Shares issue expenses	—	(60,100)	—	—	—	—	—	(60,100)
Cancellation upon repurchase of own shares	(24,300,000)	—	24,300,000	—	—	—	(57,599,045)	(57,599,045)
Revaluation reserves released on disposal of a subsidiary	—	—	—	(12,712,419)	—	—	—	(12,712,419)
Revaluation reserves released on disposal	—	—	—	(445,216,262)	76,055,952	—	—	(369,160,310)
Share of revaluation reserves released on disposal of associates	—	—	—	(68,913,770)	—	—	—	(68,913,770)
Impairment loss charged to income statement	—	—	—	—	103,107,616	—	—	103,107,616
Net profit for the year	—	—	—	—	—	—	262,787,696	262,787,696
Final dividend – 2001	—	—	—	—	—	—	(76,821,664)	(76,821,664)
Interim dividend – 2002	—	—	—	—	—	—	(77,151,732)	(77,151,732)
At 30th June, 2002 and 1st July, 2002	3,874,211,830	9,283,178,408	124,820,000	5,230,465,489	(366,502,052)	2,805,781	7,569,583,631	25,718,563,087
Deficit on revaluation	—	—	—	(1,231,115,559)	(5,862,695)	—	—	(1,236,978,254)
Share of deficit on revaluation of property interests of associates	—	—	—	(336,604,345)	—	—	—	(336,604,345)
Share of deficit on revaluation of property interest by minority shareholders	—	—	—	55,840,000	—	—	—	55,840,000
Exchange differences arising on translation of operations outside Hong Kong	—	—	—	—	—	(4,635,656)	—	(4,635,656)
Net losses not recognised in the income statement	—	—	—	(1,511,879,904)	(5,862,695)	(4,635,656)	—	(1,522,378,255)
Shares issued in lieu of cash dividend	51,548,450	—	—	—	—	—	—	51,548,450
Premium on issue of shares upon scrip dividend	—	68,644,731	—	—	—	—	—	68,644,731
Shares issue expenses	—	(260,100)	—	—	—	—	—	(260,100)
Cancellation upon repurchase of own shares	(39,426,000)	—	39,426,000	—	—	—	(90,262,382)	(90,262,382)
Revaluation reserves released on disposal	—	—	—	(8,139,842)	—	—	—	(8,139,842)
Share of revaluation reserves released on disposal of associates	—	—	—	(30,528,060)	—	—	—	(30,528,060)
Impairment loss charged to income statement	—	—	—	—	252,397,016	—	—	252,397,016
Net profit for the year	—	—	—	—	—	—	50,920,148	50,920,148
Final dividend – 2002	—	—	—	—	—	—	(77,288,637)	(77,288,637)
Interim dividend – 2003	—	—	—	—	—	—	(77,369,560)	(77,369,560)
At 30th June, 2003	3,886,334,280	9,351,563,039	164,246,000	3,679,917,683	(119,967,731)	(1,829,875)	7,375,583,200	24,335,846,596

Notes:

- At 30th June, 2003, retained profits in the sum of HK\$50,039,075 (2002: HK\$28,316,019) of certain associates attributable to the Group are distributable by way of dividend subject to the prior consent of their bankers.
- The retained profits of the Group included accumulated losses of HK\$1,342,537,019 (2002: HK\$860,229,432) attributable to the associates of the Group.