

# Statement of Changes in Equity

for the year ended 31 December 2003

	Share Capital HK\$M	Share Premium HK\$M	Capital Redemption Reserve HK\$M	Other Reserves HK\$M	Retained Profits HK\$M	Total HK\$M
<b>Group</b>						
Balance as at 1 January 2002, as previously reported	12,107	11,281	2,416	(287)	9,651	35,168
Income taxes adjustments (Note 1(Q))	–	–	–	1	63	64
Balance as at 1 January 2002, restated	12,107	11,281	2,416	(286)	9,714	35,232
Exchange differences arising on translation of:						
jointly controlled entities	–	–	–	243	–	243
associated company	–	–	–	29	–	29
designated hedges <sup>(a)</sup>	–	–	–	(49)	–	(49)
Net gains not recognised in the profit and loss account	–	–	–	223	–	223
Repurchase of ordinary shares	(66)	–	66	–	(397)	(397)
Transfer of share premium to retained profits	–	(10,117)	–	–	10,117	–
Earnings for the year, restated	–	–	–	–	7,104	7,104
Dividends						
2001 finals	–	–	–	–	(2,528)	(2,528)
2002 interims	–	–	–	–	(2,746)	(2,746)
Balance as at 31 December 2002, restated	12,041	1,164	2,482	(63)	21,264 <sup>(b)</sup>	36,888
Company and subsidiary companies	12,041	1,164	2,482	(68)	17,246	32,865
Jointly controlled entities	–	–	–	1	3,777	3,778
Associated companies	–	–	–	4	241	245
Balance as at 31 December 2002, restated	12,041	1,164	2,482	(63)	21,264	36,888
Balance as at 1 January 2003, as previously reported	12,041	1,164	2,482	(76)	21,176	36,787
Income taxes adjustments (Note 1(Q))	–	–	–	13	88	101
Balance as at 1 January 2003, restated	12,041	1,164	2,482	(63)	21,264	36,888
Exchange differences arising on translation of:						
subsidiary companies	–	–	–	1,075	–	1,075
jointly controlled entities	–	–	–	(97)	–	(97)
associated company	–	–	–	111	–	111
designated hedges <sup>(a)</sup>	–	–	–	(720)	–	(720)
Net gains not recognised in the profit and loss account	–	–	–	369	–	369
Earnings for the year	–	–	–	–	7,687	7,687
Dividends						
2002 finals	–	–	–	–	(1,782)	(1,782)
2003 interims	–	–	–	–	(2,962)	(2,962)
Share of other reserves of						
jointly controlled entity	–	–	–	40	(40)	–
associated company	–	–	–	41	–	41
<b>Balance as at 31 December 2003</b>	<b>12,041</b>	<b>1,164</b>	<b>2,482</b>	<b>387</b>	<b>24,167<sup>(c)</sup></b>	<b>40,241</b>
Company and subsidiary companies	12,041	1,164	2,482	301	20,182	36,170
Jointly controlled entities	–	–	–	41	3,595	3,636
Associated companies	–	–	–	45	390	435
<b>Balance as at 31 December 2003</b>	<b>12,041</b>	<b>1,164</b>	<b>2,482</b>	<b>387</b>	<b>24,167</b>	<b>40,241</b>

**Notes:**

- Including a net loss of HK\$603 million (2002: HK\$49 million) arising on designated hedges in foreign currency borrowings and a net loss of HK\$117 million (2002: nil) in forward contracts.
- The proposed final dividends as at 31 December 2002 and balance of retained profits after proposed final dividends were HK\$1,782 million and HK\$19,482 million respectively.
- The proposed final dividends as at 31 December 2003 and balance of retained profits after proposed final dividends were HK\$1,806 million and HK\$22,361 million respectively.

## Statement of Changes in Equity

for the year ended 31 December 2003

	Share Capital HK\$M	Share Premium HK\$M	Capital Redemption Reserve HK\$M	Retained Profits HK\$M	Total HK\$M
<b>Company</b>					
Balance as at 1 January 2002	12,107	11,281	2,416	4,287	30,091
Repurchase of ordinary shares	(66)	–	66	(397)	(397)
Transfer of share premium to retained profits	–	(10,117)	–	10,117	–
Earnings for the year	–	–	–	7,607	7,607
Dividends					
2001 finals	–	–	–	(2,528)	(2,528)
2002 interims	–	–	–	(2,746)	(2,746)
Balance as at 31 December 2002	<u>12,041</u>	<u>1,164</u>	<u>2,482</u>	<u>16,340<sup>(a)</sup></u>	<u>32,027</u>
Balance as at 1 January 2003	12,041	1,164	2,482	16,340	32,027
Earnings for the year	–	–	–	4,727	4,727
Dividends					
2002 finals	–	–	–	(1,782)	(1,782)
2003 interims	–	–	–	(2,962)	(2,962)
<b>Balance as at 31 December 2003</b>	<b><u>12,041</u></b>	<b><u>1,164</u></b>	<b><u>2,482</u></b>	<b><u>16,323<sup>(b)</sup></u></b>	<b><u>32,010</u></b>

*Notes:*

- (a) The proposed final dividends as at 31 December 2002 and balance of retained profits after proposed final dividends were HK\$1,782 million and HK\$14,558 million respectively.
- (b) The proposed final dividends as at 31 December 2003 and balance of retained profits after proposed final dividends were HK\$1,806 million and HK\$14,517 million respectively.

As at 31 December 2003, distributable reserves of the Company amounted to HK\$16,323 million (2002: HK\$16,340 million).