

Extracts of Financial Statements of Hongkong Electric

Appendix 4

The following is a summary of the audited consolidated profit and loss account and consolidated balance sheet of Hongkong Electric, a principal associate of the Company, for the year ended 31st December, 2003, as extracted from the 2003 published financial statements of Hongkong Electric.

Consolidated Profit and Loss Account

for the year ended 31st December

<i>HK\$ million</i>	2003	Restated 2002
Turnover	11,250	11,605
Direct costs	(3,915)	(3,728)
	7,335	7,877
Other revenue and net income	1,283	878
Other operating costs	(578)	(513)
Finance costs	(646)	(565)
Operating profit	7,394	7,677
Share of results of associates	241	163
Profit before taxation	7,635	7,840
Income tax:		
Current	(1,092)	(971)
Deferred	(619)	(233)
Profit after taxation	5,924	6,636
Scheme of Control transfers		
From/(To):		
Development Fund	139	(1)
Rate Reduction Reserve	(6)	(11)
Profit attributable to shareholders	6,057	6,624
Dividends		
Interim dividend paid	1,238	1,238
Proposed final dividend	2,412	2,412
	3,650	3,650
Earnings per share	HK\$2.84	HK\$3.10
Dividends per share	HK\$1.71	HK\$1.71

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Appendix 4 (Cont'd)

Consolidated Balance Sheet

as at 31st December

<i>HK\$ million</i>	2003	Restated 2002
Fixed assets		
Property, plant and equipment	42,024	42,049
Assets under construction	3,000	3,153
Interest in associates	8,425	7,910
Other investments	7	405
Employee retirement benefit assets	236	228
Current assets	3,020	2,823
Current liabilities	(3,865)	(5,049)
Non-current liabilities	(17,531)	(18,890)
Rate Reduction Reserve	(5)	(10)
Development Fund	–	(139)
Net assets	35,311	32,480
Share capital	2,134	2,134
Reserves	33,177	30,346
Capital and reserves	35,311	32,480