

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31st December, 2003

	Share capital HK\$'000	Capital reserve (Note (i)) HK\$'000	General reserve (Note (ii)) HK\$'000	Inner reserve HK\$'000	Investment property revaluation reserve HK\$'000	Other property revaluation reserve HK\$'000	Investment revaluation reserve HK\$'000	Capital redemption reserve HK\$'000	Exchange reserve HK\$'000	Dividend reserve HK\$'000	Accumulated profits (Note (iii)) HK\$'000	Total HK\$'000
THE GROUP												
At 1st January, 2002												
- as originally stated	378,943	430,600	704,047	79,448	596,433	2,030,612	11,550	2,592	(8,219)	37,894	1,826,807	6,090,707
- prior period adjustments (Note 2)	-	-	-	-	-	(51,411)	-	-	-	-	2,573	(48,838)
- as restated	378,943	430,600	704,047	79,448	596,433	1,979,201	11,550	2,592	(8,219)	37,894	1,829,380	6,041,869
Exchange differences arising on translation of overseas operations	-	-	-	-	-	-	-	-	(99)	-	-	(99)
Net (deficit) surplus on revaluation	-	-	-	-	(84,575)	7	-	-	-	-	-	(84,568)
Share of deficit on revaluation of properties of associates	-	-	-	-	-	(6,939)	-	-	-	-	-	(6,939)
Share of reversal of tax liabilities arising on revaluation of properties of associates	-	-	-	-	-	1,110	-	-	-	-	-	1,110
Share of deficit on revaluation of investments of associates	-	-	-	-	-	-	(7,373)	-	-	-	-	(7,373)
Share of exchange differences of associates	-	-	-	-	-	-	-	-	10	-	-	10
Net losses not recognised in the income statement	-	-	-	-	(84,575)	(5,822)	(7,373)	-	(89)	-	-	(97,859)
Release of revaluation surplus to the income statement	-	-	-	-	(323,506)	-	-	-	-	-	-	(323,506)
Net profit for the year	-	-	-	-	-	-	-	-	-	-	77,613	77,613
Dividend declared	-	-	-	-	-	-	-	-	-	60,609	(60,609)	-
Dividend paid	-	-	-	-	-	-	-	-	-	(75,788)	-	(75,788)
Cancellation on repurchase of own shares	(360)	-	-	-	-	-	-	360	-	-	(1,301)	(1,301)
At 1st January, 2003	378,583	430,600	704,047	79,448	188,352	1,973,379	4,177	2,952	(8,308)	22,715	1,845,083	5,621,028
Reclassification	-	-	79,448	(79,448)	-	-	-	-	-	-	-	-
Exchange differences arising on translation of overseas operations	-	-	-	-	-	-	-	-	(292)	-	-	(292)
Surplus on revaluation	-	-	-	-	39,017	5,666	-	-	-	-	-	44,683
Deferred tax liabilities arising on revaluation of properties	-	-	-	-	(12,876)	(1,867)	-	-	-	-	-	(14,743)
Share of deferred taxation of associates arising from the change in tax rate	-	-	-	-	-	(4,716)	-	-	-	-	-	(4,716)
Share of surplus on revaluation of investments of associates	-	-	-	-	-	-	29,419	-	-	-	-	29,419
Share of exchange differences of associates	-	-	-	-	-	-	-	-	(1,157)	-	-	(1,157)
Net gains (losses) not recognised in the income statement	-	-	79,448	(79,448)	26,141	(917)	29,419	-	(1,449)	-	-	53,194
Release of revaluation deficit to the income statement	-	-	-	-	76,646	-	-	-	-	-	-	76,646
Net profit for the year	-	-	-	-	-	-	-	-	-	-	103,780	103,780
Dividend declared	-	-	-	-	-	-	-	-	-	60,573	(60,573)	-
Dividend paid	-	-	-	-	-	-	-	-	-	(45,430)	-	(45,430)
At 31st December, 2003	378,583	430,600	783,495	-	291,139	1,972,462	33,596	2,952	(9,757)	37,858	1,888,290	5,809,218

Notes:

- (i) Capital reserve mainly comprises goodwill arising on acquisition of subsidiaries of HK\$9,837,000 (2002: HK\$9,837,000), negative goodwill arising on acquisition of subsidiaries of HK\$39,369,000 (2002: HK\$39,369,000) and negative goodwill arising on acquisition of associates of HK\$345,886,000 (2002: HK\$345,886,000).
- (ii) General reserve represents distributable reserve set aside by a subsidiary of the Company's subsidiaries and certain associates of the Group for future developments.
- (iii) The accumulated profits of the Group included HK\$922,726,000 (2002: HK\$880,244,000) attributable to the associates of the Group.