

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2004

	Share capital HK\$'000	Capital reserve HK\$'000 (Note)	General reserve HK\$'000 (Note)	Special reserve HK\$'000 (Note)	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 HK\$'000	Total HK\$'000
<b>THE GROUP</b>													
At 1 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
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	103,780	103,780
Dividend declared	-	-	-	-	-	-	-	-	-	-	60,573	(60,573)	-
Dividend paid	-	-	-	-	-	-	-	-	-	-	(45,430)	-	(45,430)
At 1 January 2004	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
Exchange differences arising on translation of overseas operations	-	-	-	-	-	-	-	-	-	3,157	-	-	3,157
Deficit on revaluation	-	-	-	-	-	(34,100)	(6,658)	-	-	-	-	-	(39,758)
Reversal of deferred tax liabilities arising on revaluation of properties	-	-	-	-	-	12,876	1,867	-	-	-	-	-	14,743
Share of surplus on revaluation of properties of associates	-	-	-	-	-	2,271	42,088	-	-	-	-	-	44,359
Share of deferred taxation of associates arising on revaluation of properties	-	-	-	-	-	-	(7,259)	-	-	-	-	-	(7,259)
Share of surplus on revaluation of investments of associates	-	-	-	-	-	-	-	23,816	-	-	-	-	23,816
Share of exchange differences of associates	-	-	-	-	-	-	-	-	-	437	-	-	437
Special reserve arising on acquisition of additional interest in a subsidiary	-	-	-	75,747	-	-	-	-	-	-	-	-	75,747
Net gains (losses) not recognised in the income statement	-	-	-	75,747	-	(18,953)	31,038	23,816	-	3,594	-	-	115,242
Release of revaluation surplus of associates upon disposal of properties	-	-	-	-	-	-	(2,592)	-	-	-	-	2,592	-
Release of deferred tax liabilities upon disposal of properties of associates	-	-	-	-	-	-	454	-	-	-	-	(454)	-
Share of realisation of reserves of associates	-	-	-	-	-	-	-	1,637	-	(1,621)	-	-	16
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	104,351	104,351
Dividend declared	-	-	-	-	-	-	-	-	-	-	64,359	(64,359)	-
Dividend paid	-	-	-	-	-	-	-	-	-	-	(64,359)	-	(64,359)
At 31 December 2004	378,583	430,600	783,495	75,747	-	272,186	2,001,362	59,049	2,952	(7,784)	37,858	1,930,420	5,964,468

Note: Capital reserve mainly comprises goodwill arising on acquisition of subsidiaries of HK\$9,837,000 (2003: HK\$9,837,000), negative goodwill arising on acquisition of subsidiaries of HK\$39,369,000 (2003: HK\$39,369,000) and negative goodwill arising on acquisition of associates of HK\$345,886,000 (2003: HK\$345,886,000).

General reserve represents distributable reserve set aside by a subsidiary of the Company and an associate of the Group for future developments.

The special reserve represents the difference between the consideration paid and the carrying values of the underlying assets and liabilities attributable to the additional interest in a subsidiary acquired during the current year.

The accumulated profits of the Group included HK\$977,868,000 (2003: HK\$922,726,000) attributable to the associates of the Group.