

Consolidated Statement of Changes in Equity

for the year ended 31 December 2004

	Share capital HK\$ millions	Share premium HK\$ millions	Revaluation reserves HK\$ millions	Exchange reserve HK\$ millions	Retained profit HK\$ millions	Total HK\$ millions
At 1 January 2004, as previously reported	1,066	28,359	9,083	13,552	195,455	247,515
Prior year adjustments (note 1a)	-	-	(10,006)	18	6,490	(3,498)
At 1 January 2004, as restated	1,066	28,359	(923)	13,570	201,945	244,017
Company and subsidiary companies' profit for the year	-	-	-	-	13,059	13,059
Share of reserves of associated companies	-	-	(2)	464	3,209	3,671
Share of reserves of jointly controlled entities	-	-	-	(183)	(140)	(323)
Revaluation surplus on other listed equity investments	-	-	661	-	-	661
Valuation released upon disposal of other listed equity investments	-	-	(587)	-	-	(587)
Deferred tax effect on revaluation of other listed equity investments	-	-	(33)	-	-	(33)
Exchange translation differences	-	-	-	7,751	-	7,751
2003 final dividend paid	-	-	-	-	(5,201)	(5,201)
2004 interim dividend paid	-	-	-	-	(2,174)	(2,174)
At 31 December 2004	1,066	28,359	(884)	21,602	210,698	260,841

	Share capital HK\$ millions	Share premium HK\$ millions	Revaluation reserves HK\$ millions	Exchange reserve HK\$ millions	Retained profit HK\$ millions	Total HK\$ millions
At 1 January 2003, as previously reported	1,066	28,359	4,590	997	187,133	222,145
Prior year adjustments (note 1a)	–	–	(11,788)	18	9,191	(2,579)
At 1 January 2003, as restated	1,066	28,359	(7,198)	1,015	196,324	219,566
Company and subsidiary companies' profit for the year	–	–	–	–	9,836	9,836
Share of reserves of associated companies	–	–	28	638	2,032	2,698
Share of reserves of jointly controlled entities	–	–	–	59	(191)	(132)
Net goodwill released upon disposal of subsidiary and associated companies and jointly controlled entities	–	–	–	–	1,319	1,319
Revaluation surplus on other listed equity investments	–	–	3,060	–	–	3,060
Valuation released upon disposal of Vodafone and Deutsche Telekom shares	–	–	3,105	–	–	3,105
Valuation released upon disposal of other listed equity investments	–	–	101	–	–	101
Deferred tax effect on revaluation of other listed equity investments	–	–	(19)	–	–	(19)
Exchange translation differences	–	–	–	11,858	–	11,858
2002 final dividend paid	–	–	–	–	(5,201)	(5,201)
2003 interim dividend paid	–	–	–	–	(2,174)	(2,174)
At 31 December 2003	1,066	28,359	(923)	13,570	201,945	244,017

As at 31 December 2003, as restated, and 2004, revaluation reserves represented revaluation surplus (deficit) arising from revaluation to market value of other listed equity investments. Capital redemption reserve of HK\$404 million was included in share premium in all reporting years.

The retained profits of the Group include HK\$15,107 million (2003 – HK\$12,643 million) retained by associated companies and accumulated losses of HK\$1,530 million (2003 – HK\$2,005 million) retained by jointly controlled entities.

Reserves of the Company available for distribution to shareholders as at 31 December 2004 amounted to HK\$36,357 million (2003 – HK\$28,121 million).