

## Company Statement of Changes in Equity

for the year ended 31st December 2004

	Share capital HK\$M	Retained profit HK\$M	Share premium HK\$M	Non-distributable			Total HK\$M
				Capital redemption reserve HK\$M	Investment revaluation reserve HK\$M	Cash flow hedge reserve HK\$M	
At 1st January 2004	<b>669</b>	<b>11,781</b>	<b>7,261</b>	<b>21</b>	<b>349</b>	<b>(813)</b>	<b>19,268</b>
Prior year adjustment on Asia Miles	-	<b>(250)</b>	-	-	-	-	<b>(250)</b>
As restated	<b>669</b>	<b>11,531</b>	<b>7,261</b>	<b>21</b>	<b>349</b>	<b>(813)</b>	<b>19,018</b>
Exchange differences on cash flow hedges							
– recognised during the year	-	-	-	-	-	<b>(1,058)</b>	<b>(1,058)</b>
– deferred tax recognised	-	-	-	-	-	<b>68</b>	<b>68</b>
– transferred to profit for the year	-	-	-	-	-	<b>382</b>	<b>382</b>
Revaluation surplus recognised during the year	-	-	-	-	<b>120</b>	-	<b>120</b>
Net loss not recognised in the profit and loss account	-	-	-	-	<b>120</b>	<b>(608)</b>	<b>(488)</b>
Profit for the year	-	<b>3,781</b>	-	-	-	-	<b>3,781</b>
2003 final dividends	-	<b>(1,515)</b>	-	-	-	-	<b>(1,515)</b>
2004 interim dividend	-	<b>(674)</b>	-	-	-	-	<b>(674)</b>
Share options exercised							
– premium received	-	-	<b>194</b>	-	-	-	<b>194</b>
– share capital issued	<b>5</b>	-	-	-	-	-	<b>5</b>
At 31st December 2004	<b>674</b>	<b>13,123</b>	<b>7,455</b>	<b>21</b>	<b>469</b>	<b>(1,421)</b>	<b>20,321</b>
At 1st January 2003	667	11,998	7,207	21	430	697	21,020
Exchange differences on cash flow hedges							
– recognised during the year	-	-	-	-	-	<b>(1,504)</b>	<b>(1,504)</b>
– deferred tax recognised	-	-	-	-	-	<b>90</b>	<b>90</b>
– transferred to profit for the year	-	-	-	-	-	<b>(96)</b>	<b>(96)</b>
Revaluation deficit recognised during the year	-	-	-	-	<b>(81)</b>	-	<b>(81)</b>
Net loss not recognised in the profit and loss account	-	-	-	-	<b>(81)</b>	<b>(1,510)</b>	<b>(1,591)</b>
Profit for the year	-	<b>818</b>	-	-	-	-	<b>818</b>
2002 final dividend	-	<b>(935)</b>	-	-	-	-	<b>(935)</b>
2003 interim dividend	-	<b>(100)</b>	-	-	-	-	<b>(100)</b>
Share options exercised							
– premium received	-	-	<b>54</b>	-	-	-	<b>54</b>
– share capital issued	<b>2</b>	-	-	-	-	-	<b>2</b>
At 31st December 2003	<b>669</b>	<b>11,781</b>	<b>7,261</b>	<b>21</b>	<b>349</b>	<b>(813)</b>	<b>19,268</b>

The notes on pages 44 to 65 form part of these accounts.