Company Statement of Changes in Equity

for the year ended 31st December 2004			Non-distributable				
				Capital	Investment	Cash flow	
	Share	Retained	Share	redemption	revaluation	hedge	
	capital	profit	premium	reserve	reserve	reserve	Total
	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M
At 1st January 2004	669	11,781	7,261	21	349	(813)	19,268
Prior year adjustment on Asia Miles	_	(250)	_	_	_	_	(250)
As restated	669	11,531	7,261	21	349	(813)	19,018
Exchange differences on cash flow hedges							
 recognised during the year 	-	_	_	_	_	(1,058)	(1,058)
 deferred tax recognised 	-	_	_	_	_	68	68
 transferred to profit for the year 	-	_	_	_	_	382	382
Revaluation surplus recognised							
during the year		_	_	_	120	_	120
Net loss not recognised in the							
profit and loss account	-	-	-	_	120	(608)	(488)
Profit for the year	-	3,781	-	_	_	-	3,781
2003 final dividends	-	(1,515)	-	_	_	-	(1,515)
2004 interim dividend	-	(674)	-	_	_	-	(674)
Share options exercised							
- premium received	-	-	194	_	_	-	194
 share capital issued 	5	_	_	_		-	5
At 31st December 2004	674	13,123	7,455	21	469	(1,421)	20,321
At 1st January 2003	667	11 000					21,020
		11,998	7,207	21	430	697	, -
Exchange differences on		11,990	7,207	21	430	697	, , ,
Exchange differences on cash flow hedges		11,996	7,207	21	430	697	7
	-	-	7,207	21	430	(1,504)	(1,504)
cash flow hedges	- -		7,207 - -	21 - -	430 - -		
cash flow hedges - recognised during the year	- - -		7,207 - - -	21 - - -	430 - - -	(1,504)	(1,504)
cash flow hedges - recognised during the year - deferred tax recognised	- - -		7,207 - - -	21 - - -	430 - - -	(1,504) 90	(1,504)
cash flow hedges - recognised during the year - deferred tax recognised - transferred to profit for the year	- - -		7,207 - - -	21 - - -	430 - - - (81)	(1,504) 90	(1,504)
cash flow hedges - recognised during the year - deferred tax recognised - transferred to profit for the year Revaluation deficit recognised	- - -		7,207 - - -	21 - - -	- - -	(1,504) 90	(1,504) 90 (96)
cash flow hedges - recognised during the year - deferred tax recognised - transferred to profit for the year Revaluation deficit recognised during the year	- - - -		7,207 - - - -		- - -	(1,504) 90	(1,504) 90 (96)
cash flow hedges - recognised during the year - deferred tax recognised - transferred to profit for the year Revaluation deficit recognised during the year Net loss not recognised in the profit and loss account Profit for the year		- - - - 818	7,207 - - - -		- - - (81)	(1,504) 90 (96)	(1,504) 90 (96) (81)
cash flow hedges - recognised during the year - deferred tax recognised - transferred to profit for the year Revaluation deficit recognised during the year Net loss not recognised in the profit and loss account	- - - -	- - - -	7,207 - - - - -		- - - (81)	(1,504) 90 (96)	(1,504) 90 (96) (81) (1,591)
cash flow hedges - recognised during the year - deferred tax recognised - transferred to profit for the year Revaluation deficit recognised during the year Net loss not recognised in the profit and loss account Profit for the year 2002 final dividend 2003 interim dividend	- - - - - -	- - - - 818	7,207	21 - - - - - -	- - - (81)	(1,504) 90 (96)	(1,504) 90 (96) (81) (1,591) 818
cash flow hedges - recognised during the year - deferred tax recognised - transferred to profit for the year Revaluation deficit recognised during the year Net loss not recognised in the profit and loss account Profit for the year 2002 final dividend	- - - - - -	- - - - 818 (935)	7,207	21 - - - - - -	- - - (81)	(1,504) 90 (96)	(1,504) 90 (96) (81) (1,591) 818 (935)
cash flow hedges - recognised during the year - deferred tax recognised - transferred to profit for the year Revaluation deficit recognised during the year Net loss not recognised in the profit and loss account Profit for the year 2002 final dividend 2003 interim dividend	- - - - - -	- - - - 818 (935)	7,207 54		- - - (81)	(1,504) 90 (96)	(1,504) 90 (96) (81) (1,591) 818 (935)
cash flow hedges - recognised during the year - deferred tax recognised - transferred to profit for the year Revaluation deficit recognised during the year Net loss not recognised in the profit and loss account Profit for the year 2002 final dividend 2003 interim dividend Share options exercised	- - - - - - - - 2	- - - - 818 (935)	- - - - - -		- - - (81)	(1,504) 90 (96)	(1,504) 90 (96) (81) (1,591) 818 (935) (100)

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