

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST DECEMBER, 2004

	<u>Share capital</u>	<u>Share premium</u>	<u>Capital reserve</u>	<u>Investment property revaluation reserve</u>
	HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000
At 1 st January, 2003	<u>22,275</u>	<u>153,728</u>	<u>22,988</u>	<u>6,916</u>
Exchange differences arising on translation of overseas operations	-	-	-	-
Share of an associate's movement in reserves	-	-	-	(56)
Deferred tax liability arising on change in tax rate	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net (loss) gain not recognised in the consolidated income statement	<u>-</u>	<u>-</u>	<u>-</u>	<u>(56)</u>
Net profit for the year	-	-	-	-
Dividends paid (Note 12)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 st December, 2003	22,275	153,728	22,988	6,860
Surplus arising on revaluation of investment properties	-	-	-	8,356
Minority interests' share of surplus arising on revaluation of investment properties	-	-	-	(572)
Exchange differences arising on translation of overseas operations	-	-	-	-
Share of an associate's movement in reserves	-	-	-	-

Deferred tax liability on revaluation of properties	-	-	-	<u>(640)</u>
Net gain (loss) not recognised in the consolidated income statement	-	-	-	<u>7,144</u>
Net profit for the year	-	-	-	-
Dividends paid (Note 12)	-	-	-	-
At 31 st December, 2004	<u>22,275</u>	<u>153,728</u>	<u>22,988</u>	<u>14,004</u>

The retained profits of the Group include losses of HK\$1,641,000 (2003: profits of HK\$2,713,000) retained by associates of the Group.

The balance of investment property revaluation reserve of the Group at 31st December, 2004 includes an amount of HK\$6,860,000 (2003: HK\$6,860,000), which represents the accumulated amount transferred from the property revaluation reserve as a result of the change in usage of certain previously self-occupied leasehold properties to investment properties. Such revaluation reserve has been frozen upon the transfer and will be transferred to retained profits when the relevant properties are disposed of.

	Property revaluation <u>reserve</u> HK\$' 000	Translation reserve HK\$' 000	Retained profits HK\$' 000	<u>Total</u> HK\$' 000
At 1 st January, 2003	<u>11,571</u>	<u>1,140</u>	<u>362,516</u>	<u>581,134</u>
Exchange differences Arising on translation of Overseas operations	-	101	-	101
Share of an associate's movement in reserves	3	457	2	406
Deferred tax liability arising on change in tax rate	<u>(208)</u>	-	-	<u>(208)</u>

Net (loss) gain not recognised in the consolidated income statement	<u>(205)</u>	<u>558</u>	<u>2</u>	<u>299</u>
Net profit for the year	-	-	38,707	38,707
Dividends paid (Note 12)	<u>-</u>	<u>-</u>	<u>(13,365)</u>	<u>(13,365)</u>
At 31 st December, 2003	11,366	1,698	387,860	606,775
Surplus arising on Revaluation of investment properties	-	-	-	8,356
Minority interests' share of surplus arising on revaluation of investment properties	-	-	-	(572)
Exchange differences arising on translation of overseas operations	-	(115)	-	(115)
Share of an associate' s movement in reserves	-	85	2	87
Deferred tax liability on revaluation of properties	<u>-</u>	<u>-</u>	<u>-</u>	<u>(640)</u>
Net gain (loss) not recognized in the consolidated income statement	<u>-</u>	<u>(30)</u>	<u>2</u>	<u>7,116</u>
Net profit for the year	-	-	51,362	51,362
Dividends paid (Note 12)	<u>-</u>	<u>-</u>	<u>(55,688)</u>	<u>(55,688)</u>
At 31 st December, 2004	<u>11,366</u>	<u>1,668</u>	<u>383,536</u>	<u>609,565</u>