

> CONSOLIDATED INCOME STATEMENT

For the year ended 31 March 2005

| | Notes | 2005 HK\$ | 2004 HK\$ |
|--|-------|--------------------------|--------------------|
| Turnover | 5 | 16,541,818 | 16,156,932 |
| Other revenues | 5 | 9,204,397 | 347,210 |
| Staff costs | | (6,563,988) | (5,122,932) |
| Depreciation | 14 | (6,734,946) | (9,908,156) |
| Surplus on revaluation of investment properties | 14 | 1,950,000 | 150,000 |
| Reversal of/ (provision for) impairment loss on hotel properties | 14 | 5,045,460 | (24,625,768) |
| Reversal of impairment loss on investment in an associate | | 63,494 | – |
| Write back of provision for loan to a jointly controlled entity | | – | 758,096 |
| Provision for doubtful debts | | (547,330) | (1,978,472) |
| Other operating expenses | | (13,041,707) | (13,454,753) |
| Profit/ (loss) from operations | 7 | 5,917,198 | (37,677,843) |
| Gain on financial restructuring | 8 | – | 525,345,838 |
| Restructuring expenses | | – | (6,673,324) |
| Finance costs | 9 | (3,033,973) | (36,032,692) |
| Share of results of associates | | 532,689 | (415,568) |
| Profit before taxation | | 3,415,914 | 444,546,411 |
| Taxation | 10 | 816,304 | 4,361,197 |
| Net profit attributable to the shareholders | 11 | <u>4,232,218</u> | <u>448,907,608</u> |
| Basic earnings per share | 12 | <u>0.81 cents</u> | <u>195 cents</u> |
| Basic earnings/ (loss) per share (excluding non-recurring items) | 12 | <u>0.81 cents</u> | <u>(30) cents</u> |
| Diluted earnings/ (loss) per share | 12 | <u>N/A</u> | <u>N/A</u> |

The accompanying notes form an integral part of these financial statements.