

Consolidated Statement of Changes in Equity *For the year ended 31 March 2005*

Amounts expressed in HK\$ million

	Share capital	Share premium	Investment property revaluation reserve	Investment revaluation reserve	Surplus account	Capital reserve	Exchange reserve	Accumulated profits	Total
Balance at 1 April 2003	214	1,059	1	-	102	30	2	903	2,311
Revaluation increase (decrease)	-	-	3	(2)	-	-	-	-	1
Deferred tax liability arising on revaluation of properties	-	-	(1)	-	-	-	-	-	(1)
Exchange differences on translation of the financial statements of overseas operations	-	-	-	-	-	-	1	-	1
Net gains (losses) not recognised in the income statement	-	-	2	(2)	-	-	1	-	1
Issue of shares under share option schemes	6	22	-	-	-	-	-	-	28
Net profit for the year	-	-	-	-	-	-	-	342	342
Realised on impairment of investments in securities	-	-	-	2	-	-	-	-	2
Issue of shares pursuant to scrip dividend scheme for 2003/04 interim dividend	2	27	-	-	-	-	-	(29)	-
Dividend paid	-	-	-	-	-	-	-	(112)	(112)
Balance at 31 March 2004	222	1,108	3	-	102	30	3	1,104	2,572
Revaluation increase	-	-	2	4	-	-	-	-	6
Exchange differences on translation of the financial statements of overseas operations	-	-	-	-	-	-	(2)	-	(2)
Net gains (losses) not recognised in the income statement	-	-	2	4	-	-	(2)	-	4
Issue of shares under share option schemes	1	11	-	-	-	-	-	-	12
Net profit for the year	-	-	-	-	-	-	-	403	403
Transfer to capital reserve	-	-	-	-	-	1	-	(1)	-
Issue of shares pursuant to scrip dividend scheme for 2003/04 final dividend	3	67	-	-	-	-	-	(70)	-
Dividend paid	-	-	-	-	-	-	-	(52)	(52)
Balance at 31 March 2005	226	1,186	5	4	102	31	1	1,384	2,939

The accumulated profits of the Group included accumulated losses of HK\$34 million (2004: HK\$23 million) attributable to its jointly controlled entities.

Included in the capital reserve are The People's Republic of China (the "PRC") statutory reserves amounting to HK\$7 million (2004: HK\$6 million) transferred from accumulated profits as required by the relevant PRC laws and regulations applicable to the Group's PRC subsidiaries. The remaining HK\$24 million (2004: HK\$24 million) represent negative goodwill arising on acquisition of subsidiaries prior to 1 April 2001.

Surplus account represents the difference between the nominal amount of the share capital issued by the Company and the aggregate of the nominal amount of the issued share capital and other reserve accounts of Skyworth Digital Group Limited, the subsidiary which was acquired by the Company pursuant to the group reorganisation carried out in 2000 ("Group Reorganisation").