

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended June 30, 2005

HK\$ million	2005							Total
	Issued equity	Capital reserve	Property revaluation reserve	Currency translation reserve	Convertible notes	Contributed surplus	(Deficit)/ retained earnings	
Balance at December 31, 2004, as previously stated	3,424	(565)	180	—	—	—	(148)	2,891
Effect of changes in accounting policies (note 2):								
- Prior period adjustment arising from retroactive adoption of HKAS 40	—	—	(180)	—	—	—	567	387
- Decrease in deferred tax arising from the revaluation of investment properties on adoption of HKAS-Int 21	—	—	—	—	—	—	88	88
- Increase in employee expenses under share option scheme on adoption of HKFRS 2	—	—	—	—	—	10	(10)	—
Balance at December 31, 2004, as restated	3,424	(565)	—	—	—	10	497	3,366
- Opening adjustment on adoption of HKASs 32 and 39 (note 2)	—	—	—	—	1,160	—	(55)	1,105
Balance at January 1, 2005	3,424	(565)	—	—	1,160	10	442	4,471
Exchange difference	—	—	—	(2)	—	—	—	(2)
Net expense recognised directly in equity	—	—	—	(2)	—	—	—	(2)
Net profit for the period	—	—	—	—	—	—	263	263
Total recognised income for the six months ended June 30, 2005	—	—	—	(2)	—	—	263	261
Issue of ordinary shares upon conversion of convertible note	1,207	—	—	—	(391)	—	—	816
Value of employee services under employee share option scheme	—	—	—	—	—	4	—	4
2004 final dividend paid	—	—	—	—	—	—	(168)	(168)
Balance at June 30, 2005	4,631	(565)	—	(2)	769	14	537	5,384

HK\$ million	2004					Total
	Issued equity	Capital reserve	Property revaluation reserve	Contributed surplus	(Deficit)/ retained earnings	
Balance at December 31, 2003, as previously stated	—	—	263	—	(635)	(372)
Effect of changes in accounting policies (note 2):						
- Prior period adjustment arising from retroactive adoption of HKAS 40	—	—	(263)	—	592	329
- Decrease in deferred tax arising from the revaluation of investment properties on adoption of HKAS-Int 21	—	—	—	—	106	106
- Increase in employee expenses under share option scheme on adoption of HKFRS 2	—	—	—	3	(3)	—
Balance at December 31, 2003, as restated	—	—	—	3	60	63
Net profit for the period	—	—	—	—	216	216
Total recognised income for the six months ended June 30, 2004	—	—	—	—	216	216
Decrease in capital reserve	—	(565)	—	—	—	(565)
Issue of ordinary shares, net of issuing expenses	2,967	—	—	—	—	2,967
Acquisition of subsidiaries	209	—	—	—	—	209
Balance at June 30, 2004	3,176	(565)	—	3	276	2,890