

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2005

	Attributable to equity holders of the parent														
	Share capital HK\$'000	Capital reserve HK\$'000	General reserve HK\$'000	Special reserve HK\$'000	Regulatory reserve HK\$'000	Investment property revaluation reserve HK\$'000	Other property revaluation reserve HK\$'000	Investment revaluation reserve HK\$'000	Capital redemption reserve HK\$'000	Exchange reserve HK\$'000	Dividend reserve HK\$'000	Accumulated profits HK\$'000	Total HK\$'000	Minority interests HK\$'000	Total HK\$'000
At 1 January 2004 as originally stated	378,583	430,600	783,495	-	-	291,139	1,972,462	33,596	2,952	(9,757)	37,858	1,888,290	5,809,218	25,606	5,834,824
Effects of changes in accounting policies (Note 3)	-	-	-	-	-	(50,755)	(519,098)	-	-	-	-	247	(569,606)	-	(569,606)
At 1 January 2004 as restated	378,583	430,600	783,495	-	-	240,384	1,453,364	33,596	2,952	(9,757)	37,858	1,888,537	5,239,612	25,606	5,265,218
Special reserve arising on acquisition of additional interest in a subsidiary (Note ii)	-	-	-	75,747	-	-	-	-	-	-	-	-	75,747	-	75,747
Deficit on revaluation	-	-	-	-	-	(34,100)	(5,658)	-	-	-	-	-	(39,758)	-	(39,758)
Reversal of deferred tax liabilities arising on revaluation of properties	-	-	-	-	-	525	1,867	-	-	-	-	-	2,392	-	2,392
Share of surplus on revaluation of properties of associates	-	-	-	-	-	2,271	-	-	-	-	-	-	2,271	-	2,271
Share of deferred tax liabilities of associates arising on revaluation of properties	-	-	-	-	-	(278)	-	-	-	-	-	-	(278)	-	(278)
Share of surplus on revaluation of investments of associates	-	-	-	-	-	-	-	23,816	-	-	-	-	23,816	-	23,816
Exchange differences arising on translation of overseas operations	-	-	-	-	-	-	-	-	-	3,157	-	-	3,157	2,012	5,169
Share of exchange reserve of associates	-	-	-	-	-	-	-	-	-	437	-	-	437	-	437
Net income (expenses) recognised directly in equity	-	-	-	75,747	-	(31,582)	(3,791)	23,816	-	3,594	-	-	67,784	2,012	69,796
Share of release of reserves of associates upon disposal	-	-	-	-	-	-	-	1,637	-	(1,621)	-	-	16	-	16
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	109,248	109,248	38	109,286
Total recognised income and expenses for the year	-	-	-	75,747	-	(31,582)	(3,791)	25,453	-	1,973	-	109,248	177,048	2,050	179,098
Acquisition of additional interest in a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,962)	(1,962)
Dividend declared	-	-	-	-	-	-	-	-	-	-	64,359	(64,359)	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	-	-	(64,359)	-	(64,359)	-	(64,359)
At 31 December 2004	378,583	430,600	783,495	75,747	-	208,802	1,449,573	59,049	2,952	(7,784)	37,858	1,933,426	5,352,301	25,694	5,377,995

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At 1 January 2005 as restated	378,583	430,600	783,495	75,747	-	208,802	1,449,573	59,049	2,952	(7,784)	37,858	1,933,426	5,352,301	25,694	5,377,995
Effects of changes in accounting policies (Note 3)	-	(430,600)	-	-	-	(208,802)	-	-	-	-	-	689,299	49,897	-	49,897
Earmark of accumulated profit as regulatory reserve of an associate (Note iii) (Note 3)	-	-	-	-	47,558	-	-	-	-	-	-	(47,558)	-	-	-
At 1 January 2005 as restated	378,583	-	783,495	75,747	47,558	-	1,449,573	59,049	2,952	(7,784)	37,858	2,575,167	5,402,198	25,694	5,427,892
Surplus on revaluation	-	-	-	-	-	-	8	10,340	-	-	-	-	10,348	-	10,348
Share of surplus on revaluation of investments of associates	-	-	-	-	-	-	-	25,635	-	-	-	-	25,635	-	25,635
Exchange differences arising on translation of overseas operations	-	-	-	-	-	-	-	-	-	51,469	-	-	51,469	1,087	52,556
Share of exchange reserve of associates	-	-	-	-	-	-	-	-	-	(762)	-	-	(762)	-	(762)
Net income recognised directly in equity	-	-	-	-	-	-	8	35,975	-	50,707	-	-	86,690	1,087	87,777
Release of reserve upon disposal of a subsidiary	-	-	(45,000)	-	-	-	-	-	-	-	-	45,000	-	-	-
Share of release of reserve of associates	-	-	-	-	-	-	-	(10,785)	-	-	-	-	(10,785)	-	(10,785)
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	143,451	143,451	(3,889)	139,562
Total recognised income and expenses for the year	-	-	(45,000)	-	-	-	8	25,190	-	50,707	-	188,451	219,356	(2,802)	216,554
Earmark of accumulated profit as regulatory reserve of an associate	-	-	-	-	8,677	-	-	-	-	-	-	(8,677)	-	-	-
Dividend declared	-	-	-	-	-	-	-	-	-	-	75,717	(75,717)	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	-	-	(68,145)	-	(68,145)	-	(68,145)
At 31 December 2005	378,583	-	738,495	75,747	56,235	-	1,449,581	84,239	2,952	42,923	45,430	2,679,224	5,553,409	22,892	5,576,301

## Notes:

- (i) General reserve represents distributable reserve set aside by associates of the Group for future developments.
- (ii) The special reserve represents the difference between the consideration paid and the carrying values of the underlying assets and liabilities attributable to the additional interest in a subsidiary acquired during the year ended 31 December 2004.
- (iii) In compliance with Hong Kong Monetary Authority's requirements, the Group's share of accumulated profits of an associate of HK\$47,558,000 has been transferred to regulatory reserve at 1 January 2005. The regulatory reserve is distributable to equity holders of the associate subject to consultation with the Hong Kong Monetary Authority.
- (iv) The accumulated profits of the Group included HK\$1,095,435,000 (2004: HK\$926,427,000 as restated) attributable to the associates of the Group.