

statement of changes in equity

For the year ended 31st December 2005

Group

HK\$ million	Attributable to Equity Shareholders of the Company						Total
	Share Capital (note 29)	Share Premium (note 30(a))	Exchange Reserve (note 30(b))	Hedging Reserve (note 30(c))	Revenue Reserve (note 30(d))	Proposed Dividend	
Total equity at 1st January 2004							
– as previously reported	2,134	4,476	513	–	25,776	2,412	35,311
– prior period adjustments arising from adoption of HKAS 28 (see note 3(f))	–	–	(69)	–	(181)	–	(250)
– as restated	2,134	4,476	444	–	25,595	2,412	35,061
Exchange difference on translation of:							
– financial statements of overseas subsidiaries	–	–	(121)	–	–	–	(121)
– overseas associates (restated) (see note 3(f))	–	–	26	–	–	–	26
Net expense recognised directly in equity	–	–	(95)	–	–	–	(95)
Profit for the year (restated) (see note 3(a))	–	–	–	–	6,256	–	6,256
Total recognised income and expense for the year	–	–	(95)	–	6,256	–	6,161
Final dividend in respect of the previous year approved and paid	–	–	–	–	–	(2,412)	(2,412)
Interim dividend paid	–	–	–	–	(1,238)	–	(1,238)
Proposed final dividend (see note 13(a))	–	–	–	–	(2,540)	2,540	–
Total equity at 31st December 2004	2,134	4,476	349	–	28,073	2,540	37,572

The notes on pages 54 to 101 form part of these financial statements.

HK\$ million	Attributable to Equity Shareholders of the Company						Total
	Share Capital (note 29)	Share Premium (note 30(a))	Exchange Reserve (note 30(b))	Hedging Reserve (note 30(c))	Revenue Reserve (note 30(d))	Proposed Dividend	
Total equity at 31st December 2004							
– as previously reported	2,134	4,476	428	–	28,278	2,540	37,856
– prior period adjustments arising from adoption of HKAS 28 (see notes 3(a) & 3(f))	–	–	(79)	–	(205)	–	(284)
– as restated, before opening balance adjustments	2,134	4,476	349	–	28,073	2,540	37,572
Opening adjustments arising from initial adoption of HKAS 32 & HKAS 39 (see note 3(g))	–	–	–	(119)	(268)	–	(387)
At 1st January 2005, after prior period and opening balance adjustments	2,134	4,476	349	(119)	27,805	2,540	37,185
Exchange difference on translation of:							
– financial statements of overseas subsidiaries	–	–	(93)	–	–	–	(93)
– overseas associates	–	–	(124)	–	–	–	(124)
Cash flow hedge:							
– effective portion of changes in fair value, net of deferred tax	–	–	–	117	174	–	291
– transferred to profit and loss	–	–	–	(2)	–	–	(2)
– transferred to initial carrying amount of non-financial hedged items	–	–	–	6	–	–	6
Actuarial gains and losses of defined benefit retirement schemes, net of deferred tax	–	–	–	–	(362)	–	(362)
Net income and expense recognised directly in equity	–	–	(217)	121	(188)	–	(284)
Profit for the year	–	–	–	–	8,562	–	8,562
Total recognised income and expense for the year	–	–	(217)	121	8,374	–	8,278
Final dividend in respect of the previous year approved and paid	–	–	–	–	–	(2,540)	(2,540)
Interim dividend paid	–	–	–	–	(1,238)	–	(1,238)
Proposed final dividend (see note 13(a))	–	–	–	–	(3,714)	3,714	–
Total equity at 31st December 2005	2,134	4,476	132	2	31,227	3,714	41,685

Group revenue reserves as at 31st December 2005 include the Group's share of the retained profits of its associates amounting to HK\$1,205 million (2004 restated : HK\$1,027 million).

The notes on pages 54 to 101 form part of these financial statements.

statement of changes in equity (continued)

For the year ended 31st December 2005

Company

HK\$ million	Share Capital (note 29)	Share Premium (note 30(a))	Revenue Reserve (note 30(d))	Proposed Dividend	Total
Total equity at 1st January 2004	2,134	4,476	19,778	2,412	28,800
Final dividend in respect of the previous year approved and paid	–	–	–	(2,412)	(2,412)
Profit for the year	–	–	6,807	–	6,807
Interim dividend paid	–	–	(1,238)	–	(1,238)
Proposed final dividend (see note 13(a))	–	–	(2,540)	2,540	–
Total equity at 31st December 2004	2,134	4,476	22,807	2,540	31,957
Total equity at 1st January 2005	2,134	4,476	22,807	2,540	31,957
Actuarial gains and losses of defined benefit retirement schemes, net of deferred tax	–	–	(42)	–	(42)
Net expense recognised directly in equity	–	–	(42)	–	(42)
Profit for the year	–	–	8,315	–	8,315
	–	–	8,273	–	8,273
Final dividend in respect of the previous year approved and paid	–	–	–	(2,540)	(2,540)
Interim dividend paid	–	–	(1,238)	–	(1,238)
Proposed final dividend (see note 13(a))	–	–	(3,714)	3,714	–
Total equity at 31st December 2005	2,134	4,476	26,128	3,714	36,452

All of the Company's revenue reserve is available for distribution to equity shareholders. After the balance sheet date, the directors proposed a final dividend of HK\$1.01 per ordinary share (2004 : HK\$1.19 per ordinary share) and a special dividend of HK\$0.73 per ordinary share (2004 : HK\$nil), amounting to HK\$3,714 million (2004 : HK\$2,540 million). This dividend has not been recognised as a liability at the balance sheet date.

The notes on pages 54 to 101 form part of these financial statements.