

# Consolidated Statement of Changes in Equity

Year ended 31 December 2006

	Attributable to equity holders of the Company													Total equity HK\$'000
	Issued capital HK\$'000	Share premium account HK\$'000	Capital redemption reserve HK\$'000	Merger reserve HK\$'000	Other reserve HK\$'000	Asset revaluation reserve HK\$'000	Available-for-sale financial asset revaluation reserve HK\$'000	PRC statutory reserves HK\$'000	Goodwill reserve HK\$'000	Exchange fluctuation reserve HK\$'000	Retained profits HK\$'000	Total HK\$'000	Minority interests HK\$'000	
At 1 January 2005	45,584	253,234	56	136,648	-	8,652	15,826	4,244	1,238	9	406,912	872,403	495,617	1,368,020
Changes in fair value of available-for-sale financial assets	-	-	-	-	-	-	(2,678)	-	-	-	-	(2,678)	(1,798)	(4,476)
Transfer to income statement on disposal of available-for-sale financial assets	-	-	-	-	-	-	2,061	-	-	-	-	2,061	2,398	4,459
Exchange realignment	-	-	-	-	-	-	-	-	-	2,690	-	2,690	2,166	4,856
Total income and expense for the year recognised directly in equity	-	-	-	-	-	-	(617)	-	-	2,690	-	2,073	2,766	4,839
Profit for the year	-	-	-	-	-	-	-	-	-	-	96,574	96,574	84,281	180,855
Total income and expense for the year	-	-	-	-	-	-	(617)	-	-	2,690	96,574	98,647	87,047	185,694
Acquisition of minority interests	-	-	-	-	-	-	-	-	-	-	-	-	(27,653)	(27,653)
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	21,635	21,635
Issue of warrants	-	-	-	-	1,379	-	-	-	-	-	-	1,379	6,411	7,790
Transfer to retained profits	-	-	-	-	-	-	-	-	(1,238)	-	1,238	-	-	-
Transfer from retained profits	-	-	-	-	-	-	-	366	-	-	(366)	-	-	-
Dividends paid to minority shareholders of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(14,993)	(14,993)
Balance at 31 December 2005	45,584	253,234	56	136,648	1,379	8,652	15,209	4,610	-	2,699	504,358	972,429	568,064	1,540,493

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Year ended 31 December 2006

	Attributable to equity holders of the Company												
	Issued capital	Share premium account	Capital redemption reserve	Merger reserve	Other reserve	Asset revaluation reserve	Available-for-sale financial asset revaluation reserve	PRC statutory reserves	Exchange fluctuation reserve	Retained profits	Total	Minority interests	Total equity
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2006	45,584	253,234	56	136,648	1,379	8,652	15,209	4,610	2,699	504,358	972,429	568,064	1,540,493
Surplus on revaluation on land and building	-	-	-	-	-	1,317	-	-	-	-	1,317	143	1,460
Changes in fair value of available-for-sale financial assets	-	-	-	-	-	-	3,410	-	-	-	3,410	2,091	5,501
Transfer to the income statement on disposal of available-for-sale financial assets	-	-	-	-	-	-	(604)	-	-	-	(604)	(218)	(822)
Exchange realignment	-	-	-	-	-	-	-	-	7,143	-	7,143	5,406	12,549
Total income and expense for the year recognised directly in equity	-	-	-	-	-	1,317	2,806	-	7,143	-	11,266	7,422	18,688
Profit for the year	-	-	-	-	-	-	-	-	-	205,318	205,318	76,778	282,096
Total income and expense for the year	-	-	-	-	-	1,317	2,806	-	7,143	205,318	216,584	84,200	300,784
Acquisition of minority interests	-	-	-	-	-	-	-	-	-	-	-	(166,056)	(166,056)
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	30,350	30,350
Capital contribution from minority shareholders of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	29,072	29,072
Transfer to retained profits	-	-	-	-	(1,379)	(564)	-	-	-	1,943	-	-	-
Transfer from retained profits	-	-	-	-	-	-	-	740	-	(740)	-	-	-
Equity-settled share option arrangements	-	-	-	-	4,881	-	-	-	-	-	4,881	1,830	6,711
Dividends paid to minority shareholders of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(5,990)	(5,990)
Balance at 31 December 2006	45,584	253,234*	56*	136,648*	4,881*	9,405*	18,015*	5,350*	9,842*	710,879*	1,193,894	541,470	1,735,364

The merger reserve represents the difference between the share capital and share premium account of a subsidiary and the nominal value of the Company's shares issued in exchange thereof at the time of the group reorganisation in 1992, less a transfer of HK\$200,000,000 to retained profits in 2001.

The Group's PRC statutory reserves represent reserves required to be appropriated from profit after taxation of the Company's PRC subsidiaries under the PRC laws and regulations. The amount of the appropriation is at the discretion of the PRC subsidiaries' boards of directors.

The retained profits and exchange fluctuation reserve of the Group included HK\$60,467,000 (2005: accumulated losses of HK\$28,966,000) and a debit balance of HK\$499,000 (2005: HK\$877,000), respectively, retained by the associates of the Group.

\* These reserve accounts comprise the consolidated reserves of HK\$1,148,310,000 (2005: HK\$926,845,000) in the consolidated balance sheet.