

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2006

Attributable to equity holders of the Company

	Share capital	Share premium	Convertible bond-equity reserve	Special reserve	Share option reserve	Statutory reserves	Property revaluation reserve	Investment revaluation reserve	Accumulated profits	Total	Minority interests	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2005 as originally stated	91,954	1,070,309	53,896	1,167	-	44,350	21,053	-	637,067	1,919,796	438,288	2,358,084
Restatements (note 4)	-	-	(53,896)	-	-	-	-	-	(14,244)	(68,140)	-	(68,140)
At 1 January 2005 (restated)	91,954	1,070,309	-	1,167	-	44,350	21,053	-	622,823	1,851,656	438,288	2,289,944
Deficit arising on revaluation of buildings	-	-	-	-	-	-	(3,428)	-	-	(3,428)	-	(3,428)
Reversal of deferred taxation liability on revaluation of buildings	-	-	-	-	-	-	1,333	-	-	1,333	-	1,333
Share of valuation deficit by minority shareholders	-	-	-	-	-	-	787	-	-	787	(787)	-
Net expense recognised directly in equity	-	-	-	-	-	-	(1,308)	-	-	(1,308)	(787)	(2,095)
Profit for the year	-	-	-	-	-	-	-	-	270,549	270,549	91,648	362,197
Total recognised income and expenses for the year	-	-	-	-	-	-	(1,308)	-	270,549	269,241	90,861	360,102
Issue of shares on exercise of share options (note a)	2,343	50,746	-	-	-	-	-	-	-	53,089	-	53,089
Issue of shares on conversion of convertible bonds (note b)	1,522	81,232	-	-	-	-	-	-	-	82,754	-	82,754
Capital contribution from minority shareholders	-	-	-	-	-	-	-	-	-	-	20,814	20,814
Disposal of a subsidiary	-	-	-	-	-	-	-	-	-	-	(550)	(550)
Dividend appropriation	-	-	-	-	-	-	-	-	(25,254)	(25,254)	-	(25,254)
Dividend paid to minority shareholders	-	-	-	-	-	-	-	-	-	-	(21,750)	(21,750)
Transfer to statutory reserves (note d)	-	-	-	-	-	26,331	-	-	(26,331)	-	-	-
At 31 December 2005 (restated)	95,819	1,202,287	-	1,167	-	70,681	19,745	-	841,787	2,231,486	527,663	2,759,149
Surplus arising on revaluation of buildings	-	-	-	-	-	-	5,282	-	-	5,282	-	5,282
Deferred taxation liability on revaluation of buildings	-	-	-	-	-	-	(2,449)	-	-	(2,449)	-	(2,449)
Share of valuation surplus by minority shareholders	-	-	-	-	-	-	(1,064)	-	-	(1,064)	1,064	-
Loss on fair value change of available-for-sale investment	-	-	-	-	-	-	-	(444)	-	(444)	-	(444)
Net income recognised directly in equity	-	-	-	-	-	-	1,769	(444)	-	1,325	1,064	2,389
Profit for the year	-	-	-	-	-	-	-	-	379,617	379,617	104,243	483,860
Total recognised income and expenses for the year	-	-	-	-	-	-	1,769	(444)	379,617	380,942	105,307	486,249
Recognition of equity settled share based payment	-	-	-	-	57,370	-	-	-	-	57,370	-	57,370
Issue of shares on conversion of convertible bonds (note c)	7,006	426,189	-	-	-	-	-	-	-	433,195	-	433,195
Capital contribution from minority shareholders	-	-	-	-	-	-	-	-	-	-	255,461	255,461
Acquisition of additional interests in subsidiaries	-	-	-	-	-	-	-	-	-	-	(12,298)	(12,298)
Reduction in share of equity interest of a subsidiary	-	-	-	-	-	-	-	-	-	-	(15,144)	(15,144)
Dividend appropriation	-	-	-	-	-	-	-	-	(46,333)	(46,333)	-	(46,333)
Dividend paid to minority shareholders	-	-	-	-	-	-	-	-	-	-	(49,221)	(49,221)
Transfer to statutory reserves (note d)	-	-	-	-	-	12,582	-	-	(12,582)	-	-	-
At 31 December 2006	102,825	1,628,476	-	1,167	57,370	83,263	21,514	(444)	1,162,489	3,056,660	811,768	3,868,428

Notes:

- a. On 28 February 2005, 10 June 2005 and 22 June 2005, 11,637,500, 6,525,000 and 3,950,000 shares were issued in relation to the exercise of share options respectively. The shares were issued at an exercise price of HK\$2.265 per ordinary share. The market closing prices as at 28 February 2005, 10 June 2005 and 22 June 2005 were HK\$4.325, HK\$5.35 and HK\$5.4 respectively.
- b. In August and October 2005, 10,613,331 and 4,020,229 ordinary shares were issued in relation to the conversion of convertible bonds ("CB") to shares by various CB holders respectively. The shares were issued at the conversion price of HK\$5.4375 per ordinary share. These shares rank pari passu with the existing shares in all respects.
- c. During the year ended 31 December 2006, 69,725,039 ordinary shares were issued in relation to the conversion of CB to shares by various CB holders. The shares were issued at the conversion price of HK\$5.4375 per ordinary share. These shares rank pari passu with the existing shares in all respects.
- d. In accordance with the People's Republic of China ("PRC") regulations, the statutory reserves retained by the subsidiaries in the PRC are non-distributable.